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# THE INDUSTRIAL UNREST AND THE LIVING WAGE



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CONVERGING VIEWS OF SOCIAL REFORM—No. 2

BEING A SERIES OF LECTURES ON

# THE INDUSTRIAL UNREST AND THE LIVING WAGE

GIVEN AT THE INTER-DENOMINATIONAL  
SUMMER SCHOOL, HELD AT SWANWICK, DERBYSHIRE  
JUNE 28th-JULY 5th, 1913

WITH AN INTRODUCTION  
BY THE  
REV. WILLIAM TEMPLE, M.A.

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## NOTE

THE Inter-denominational Conference of Social Service Unions is arranging to hold another Summer School at Swanwick from Saturday, June 20th, to Monday, June 29th, 1914. The Subject for discussion will be "Land and Labour." Particulars may be had on application to the Hon. Sec., Miss LUCY GARDNER, 92 St George's Square, London, S.W.

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## INTRODUCTION

THIS report of the United Summer School is published by the Collegium, and I am asked to set before its readers the origin, nature, and purpose of the Summer School and also the nature and the aim of the Collegium.

The United Summer School was held at Swanwick this year, as it also was last year, under the auspices of the Inter-denominational Conference of Social Service Unions. This Conference consists of delegates from the various Social Service Unions of the different Christian denominations ; its Chairman is the Bishop of Oxford ; its aim is to bring into the work of the several unions as much co-operation and unity as is found practicable ; thus, for example, the Conference recommends to the unions represented at it a subject of study for each year. This is not the place to enlarge upon what is implied in the mere existence of such a body, but plainly it is significant of the new temper. Twice the Conference has called together a Summer School where people of all denominations meet for the consideration and discussion of some large social question. This volume is a report of the addresses given at the second Summer School.

As a result of the discussions at the Summer School of 1912, a group of people came together and decided to make the attempt to form a body of Christian people drawn from all denominations which should be the means of focussing and expressing Christian opinion on the broad principles of social progress. Such a body was formerly constituted in June this year under the title of "The Council for Christian Witness on

Social Questions." This is mentioned here to show that the meetings of the United Summer School are already bearing fruit.

The Collegium came into being as a result of a Conference attended by about a hundred senior members of the Student Christian Movement, where the Movement's relation to social questions was the subject under discussion. It occurred to Mr Malcolm Spencer, the Social Service Secretary of the Student Christian Movement, that a small group ought to be formed whose aim should be to seek the will of God for our modern life in corporate prayer and in discussion conducted in the spirit of prayer. This group now consists of eleven members, who meet in this way with great profit at anyrate to themselves. A number of people all about the country who have heard about the Collegium and sympathize with its fundamental idea have become associates; the central group—which is formed by co-option—tries to keep in touch with the associates, sending them questions connected with the problems taken up for consideration from time to time, and endeavouring to facilitate the gathering of associates into groups in their districts for consideration of such questions and the solution of practical problems confronting them in their own districts or their own circumstances—in the spirit and by the method for which the Collegium stands. The Collegium has no desire to advertise itself or to thrust itself upon anybody; but other efforts and movements have found that it supplies what they need and to them it is ready to be of any service that is possible. Thus the Inter-denominational Conference of Social Service Unions and the Council of Christian Witness on Social Questions are both clearly aiming at the same goal which is before the Collegium and this unity is shown in this very practical way, that the Collegium is glad to spare its secretary, Miss Lucy Gardner, to act as Honorary Secretary to these two other



bodies. From her fuller information can be obtained as to the three movements.

But the main function of the Collegium is, by its own method, to seek the truth rather than promote action. Its members believe that the solution of the Social Problem can only be found by carrying into practice the Christian doctrine of society ; but they also believe that, except in the barest outline, that doctrine is at present not known. We have first of all to find it ; and the way to that is prayer.

With this object in view the Collegium is at present occupied with the principle of Competition and its place in a Christian Society. It is hoped to issue before very long a volume, which will be not a joint effort but a corporate effort, giving the results of our inquiries on this subject.

WILLIAM TEMPLE

*Chairman of the Collegium*

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# THE INDUSTRIAL UNREST

## INTRODUCTORY ADDRESS

MRS CREIGHTON

WE are met together as Christians to face some of the great social problems of modern life. I think I may safely assume that we all of us believe that the important need of the present day is that we should learn how to apply the standard of Christ to every part of life. I think we feel that if we could do that our difficulties would be solved. The world of course is always trying to keep that standard out. All are agreed that it ought to prevail in our family relations, but I do not know that every one believes that it ought to prevail in our business relations. Certainly the spirit of competition and advertisement that commonly exists is very unlike the Christian spirit. But even though many should agree that, if possible, it should prevail in our business relations, I do not suppose that even all Christians would think it should prevail in our international relations. It does not always seem easy to see how to apply it to our complicated problems, and therefore it seems to me that there is great need that we should come together here as Christians to face these great problems and to see whether as Christians we may not discover some way out. I am convinced that we are profoundly discontented with our present social conditions. Not because we believe that there are any conditions in which it is not possible to lead the Christian life, but because there are conditions with which no Christian can rest content, or suffer to continue, even though he knows that the grace of God is sufficient to triumph over the very worst. We hear

much about the unrest in the present day. I for one am convinced that this unrest is, on the whole, wholesome and a sign of life. It is the sign of a constant desire to find the way out of our difficulties. Of course many attempts are misguided and unwise, and if we study those that have been made we shall very often find the results have been quite different from what they were expected to be, but even mistakes are better than lethargy and quiescence.

What are the forces which are arrayed against this desire for change? What are the forces that seem to stand in the way of change? First, they are forces inspired by a spirit of fear; there is a terror of change—sometimes it seems to me that a good many of our respectable friends live in a state of permanent terror as to what is going to happen next. Certainly a spirit of fear exists among a large proportion of the members of what we call the wealthy classes at the present day. It is like a child's fear of the unfamiliar, and we can sympathise with it. Secondly, they are forces animated by a spirit of resentment. We are very comfortable as we are, we do not want our peace disturbed, we do not want changes. Thirdly, they spring from a spirit of mental sloth. We do not want our principles disturbed, we object to think out things which we have thought of for so long as settled. Lastly, they come from a spirit of selfishness. We are afraid lest any change should take the things we possess away from us.

Now we who are gathered here are not possessed, I hope, with any of these spirits. We have come together because we are convinced that we have got to be alive to the necessity of setting ourselves seriously to face our social difficulties. We know only too well what the worst of them are—bad housing; bad conditions of work; sweated industries; low wages, which make a healthy life impossible—and this not only in our great towns, but in many of our most beautiful agricultural districts; insufficient means of education, which are wasteful and uneconomical, because they are not such as to enable people to make the best of themselves for their own sakes and for the common good. Alive ourselves to all those evils, we have to make others alive by helping to arouse

the public conscience ; we ourselves must be the leaven which shall disturb the public apathy.

I do not mean that we should be always ready to come before the public with some cause or measure which we wish to advocate, but that we should be determined to make them see that the existing conditions are intolerable. We have got to convince them that the unrest which alarms them is a sign of life, not a spirit to be quenched, but a spirit which will bring forth fruit for the healing of the nations. But whilst we feel that the present conditions are intolerable we are bound to try to give the right ideals of progress. The ideals which people set before themselves are often wrong and poor, and the values which they set on different things are apt to be mistaken. Wealth and material comforts are valued far too highly at present. We need a truer sense of values as well as freedom of growth to enable every one to develop and use the powers they possess for noble purposes. A true ideal is the most important thing we can give. The true ideal to work for is the triumph of spiritual things over material things. Have not we gone altogether wrong in insisting on the importance of material things ? Where is the spirit that made S. Francis joyful in the midst of poverty ? Why have not we, some of us, courage to find out how a simple life, how even poverty, may be beautiful and joyful ?

The solution to our problems will be found when we set ourselves to find it in the spirit of Christian love and brotherhood. Of course it may be objected that Christian love has often been the cause of evils, of the unwise charity which sometimes seems to be practised as a means of acquiring merit, and in the hope of saving the soul of the giver. Many things that began well ended by being very different from what their founders had meant. We know how in their later days the monasteries encouraged beggars ; we know how William Law, who rebuked luxury and self-indulgence, made Kingscliffe a concourse of worthless beggars and loafers of every kind, and this in both cases because love was uninstructed. People did not study the causes of the ills they tried to cure. The monasteries that encouraged idleness and

begging had in the beginning, in a ruder age, been the teachers of industries, arts, agriculture, and the reclaimers of waste places. They grew careless and did not study the conditions of the people around them, and their work failed. Indiscriminate charity is often mere laziness and self-indulgence.

We must learn that our intellect as well as our heart must be brought into our charity, and that love has to be brought into our studies, our social conditions, our economics. We have to learn reverence for the human soul. We have to feel within ourselves the impossibility of resting content with things as they are just because we have what we want. We want to see how Christian principles can be applied, so that those engaged in a trade dispute may meet together, not each trying to get their own way, not even trying to find a fair compromise by which each may get as much of their own way as possible with the least injury to the other, but rather that together they may find a way to settle their differences in such a manner as may be best for the community as a whole.

It is in this spirit that I hope we have come together to-day. We recognise that present conditions are intolerable. We want to study together how to make them better. We do not want to press our own particular solutions ; we want to learn ; we want to deepen in ourselves the sense that we must not rest or acquiesce, but must work to find a way out. We can at least make progress easier and not more difficult for those who come after. We must guard ourselves from the tendency to think that our plans and schemes are the indispensable ones. We are learning in many directions in these days our need for unity, and we feel more and more that no bit of work can be isolated, but that each bit is part of a great whole. We are learning to feel the connection between our social work at home and our work for foreign missions abroad. We feel the interdependence not only of the classes at home, but of the nations of the world.

Now this, of course, cannot simplify our problems, but it should simplify our motives and deepen our zeal for service. Our sense of the universality of the Christian revelation will



make us feel that there is no department of life, no part of the world, no race of men where Christ must not prevail and where His Spirit will not be powerful to cure all ills. And so we cannot look to see restlessness cease ; for us there can be no rest till Christ prevails everywhere.

How are we to reconcile this spirit of restlessness with the spirit of Christian joy and trust shown in Pippa's familiar song in Robert Browning's poem :—

“God's in His heaven,  
All's right with the world.”

It is the deep faith of the Christian, that God knows ; that somehow through all this tangle and confusion He is working His purpose out ; that He will give us enough light to enable us if we will to be His fellow-workers ; that even in the darkest places flowers of unselfishness and courage may be seen by those who look, and, above all, that His judgment is not ours. He sees and knows when we are blind and ignorant, and, as of old, it is for the publican and the sinner that He cares more than for the well-to-do and respectable. As we learn patience and hope our attitude must never be passive and acquiescent. Isaiah of old called the faithful Jews “ the Lord's Remembrancers,” and said they were “ never to hold their peace day nor night, to take no rest until He make Jerusalem a praise in the earth.” His is the work, but we are His fellow-workers, called to be His remembrancers in a world which constantly tends to forget Him.

## CHRISTIANITY AND SOCIAL SERVICE

THE RT. REV. J. A. KEMPTHORNE, D.D.,  
BISHOP OF LICHFIELD

I THINK that we are all absolutely agreed that it is impossible for us to have any Christianity worthy of the name which does not interest itself in Social Service. There was a certain German writer who gave vent to the somewhat biting epigram that Christianity is the giving up of certain pleasures here in order that we may obtain certain pleasures hereafter, or the sacrifice of this world for the next. That is a parody of our Christian religion. It is sad that there should ever have been a profession of Christianity which could enable a man to say such things with any semblance of truth. We do not in the least desire to give up or supersede the old watchwords. The great old word "Salvation" is a word which we cannot dispense with, but the "saving" that we look for is a saving *from* evil and a saving *for* service, and unless service is to follow, one does not quite see what is the purpose of the Salvation. Again there is another great old word, "Conversion." We certainly cannot do without it, but we understand conversion to be a turning from covetousness and selfishness and self-assertiveness and pride and from all the other moral evils which are at the root of social mischief.

Or again, we may quite rightly say that conversion means the deliberate acceptance of JESUS CHRIST as Lord and King : but what is His sovereignty worth if it does not extend over the whole area of our common human life ? Conversion therefore must imply Social Service. We are all agreed that a Christianity which does not include Social Service is a very poor business. On the other hand we are equally agreed

that a Social Service which leaves out Christianity will hopelessly lack motive and inspiration.

Is it not true to say that a change in our social order is bound to come and there are only two roads by which it is possible for it to arrive? Either it will proceed according to "that ancient law, that well-known plan, that those shall keep who have the power, and those shall take who can," or else it is going to arrive by the road of the Christian principles of justice, love and self-sacrifice. Of course I know that there are some who are doing excellent work but who repudiate our Christian faith. They are trying to get the brotherhood of man without the fatherhood of God; they are seeking the Kingdom without a King: they are anxious for a unity of spirit without the Spirit of unity. I do not think it is necessary for me to argue with them or about them; the present company is agreed that in our Christian faith we are going to get the motive and inspiration for our Social Service. I can serve you best I think if I simply deal with the matter from the point of view of that Christian creed in which I believe.

Of course, I understand—we all understand—our attitude one towards another in this Conference; we fully recognise that we do not all think alike, but we are not attempting to find a lowest common denominator for our Christianity. On the contrary, we believe that from our different points of view we should bring to this Conference our positive contribution of truth.

We can try and find our inspiration and our motive for Social Service both from *the teaching of our Lord Jesus Christ* and from *our faith about His Person*.

The contents and tenor of His teaching are a vast subject. Very briefly we may say that our Lord Jesus Christ reaffirmed the principles of justice between man and man. Behind all his teaching there is the background of the Old Testament Prophets: above all else the great principle of justice, hard as it is to apply and difficult as it is to work out, must be at the base of all efforts that we make for Social reform and all that we do in the way of Social Service. Secondly, our Lord taught and gave us in quite a new light the doctrine of man's

responsibility for all that he has and all that he is, and He insisted with the utmost emphasis on the tremendous temptation of wealth. "How hardly—with what difficulty—shall a rich man enter into the Kingdom of God." Bishop Gore has said on more than one occasion that the New Testament is not pleasant reading for wealthy people. We have need to emphasise the principle of personal responsibility. We know how hard it is to act upon it ourselves with regard to our possessions; and we know how extremely difficult it is to bring it home to the respectable members of our Christian community. It is in awakening the conscience of the average Christian that much of our work must lie.

Again, our Lord taught the great principle of brotherhood: He taught it not only because He intended men to infer it from the great doctrine of the Fatherhood of God, but by the very fact that He established an actual brotherhood among men. The great brotherhood of the early Christian Church dealt most successfully with many of the social problems which trouble us. I do not refer to the communistic system adopted for a time by the Church at Jerusalem. I mean that the whole theory on which for the first century the Christian Church was accustomed to act was that of a real brotherhood in action, carrying out the principles and teaching of our Lord.

So far I am perfectly sure that you all agree with me. But when we come to that which I feel to be an even higher source of inspiration, the belief in the Person of our Lord Jesus Christ, you may not all be able to follow me. At the beginning of the fourth Gospel, stands the great saying "the Word became flesh and dwelt among us." The Eternal took on Him our human nature, the Son of God became Son of man, in order that the sons of man might become sons of God. It is a tremendous thing to believe, but those of us who believe it find in it a wonderful inspiration for whatever Social Service we are trying to do.

1. In the first place it teaches us the infinite value of our human nature. We hear the strangest ideas about human nature! Human nature, we are told, has to account for so many of our

evils. Men are lustful, men are greedy, men are self-assertive, men are covetous, "because of their human nature." It is a libel. The true human nature is revealed in JESUS CHRIST. Evil is an intruder and can be driven out. "Ah!" some of our secularist friends may say "that is what we have always told you: get rid of the bad environment and all will be well with human nature; if only the obstacles are removed, it will evolve into perfection." But that is just where our Christian religion faces the facts, and where the secular doctrine is blind to them.

It is an unquestionable fact that there is a strange perversion in our human nature, but it is a perversion of what is essentially good. Let us also mark the fact that this perversion needs for its removal something more than a change of environment, else how are we to explain that the people in a perfectly good environment are often the most corrupt? There are scoundrels in mansions as well as in slums. We all agree with our non-Christian friends that there are many material obstacles, many unnecessary temptations which ought to be removed. But we are sure that something more is needed. We may refer to an oft-used illustration, the wonderful narrative of the Raising of Lazarus. It is a sort of parable. Lazarus was dead in the tomb, held down there by the grave clothes which were wrapped around him and by the stone laid against the door of the sepulchre. When our Lord came He told the people to take away the stone. Men could do that. But there was a greater voice that was needed to call Lazarus to life. So it is with our human life. There is a crying need for the stone of evil circumstances—of removable evil circumstances—to be taken away. But we believe that the grace of God is needed besides if the man is really to live. It is because we hold that our human nature is capable of perfection, and know that it is of infinite value, that we believe any effort we make for the uplifting and emancipation of men to be abundantly worth the making.

2. Those who believe in the Incarnation of the Lord Jesus Christ are sure that God does take a real interest in the things of man. Believing as we do that He Who was born of the

Virgin Mary, who lived in the carpenter's shop at Nazareth, who went about doing good, He who died in the greatest possible circumstances of shame and pain, was the Son of God, we are sure that He has shown us that nothing human can be alien to the mind of God.

Further the very fact that our Lord took a human body proves that it is the utmost fallacy to draw a hard and fast line between the spiritual and the physical. It is true, indeed, that our Lord won His victory in the spiritual sphere, but He extended that victory over the whole of the life of man. Therefore if we hold that belief we are saved from a paralysing materialism and from a one-sided spiritualism. I do not think I can put that better than in the words of my old Bishop, and teacher, Bishop Westcott:—"We need to insist on the spiritual basis of life; materialism has invaded our philanthropy and our religion. We aim more continuously and more hopefully at changed circumstances than at changed men, at outward worship more than at secret fellowship, at companionship in popular amusements more than communion in self-devotion. I do not underrate the importance of such efforts. I claim them as helps and accessories, but the experience of the early Church (to speak of that alone) shows that man moulds his environment more than the environment moulds the man, that 'the soul makes the body,' that we have access to powers of another order."

On the other hand the same Bishop writes that "we cannot realise what our Faith is or teach others to realise it unless we strive according to our opportunities to secure for those whom we acknowledge to be children of God and members of Christ opportunities of self development and service, corresponding to our own. . . . I do say that certain outward conditions must be satisfied before a true life can be enjoyed; that our life is one and that each part affects the whole: that if the conditions of labour for the young are such as to tend necessarily to destroy the effects of a brief and crowded education, if the energies of men are exhausted by a precarious struggle for food and shelter, if there is no quiet leisure for thought, if the near future is clouded, as often as

thought is turned to it, it is vain to look for a vital welcome of the Faith which deals with the future through the present and claims the life that now is as well as that which is to come."

3. We believe in Jesus Christ as the representative man, the Son of man, One in whom all humanity, as it were, is summed up. To quote the great words of St Paul, "There is neither Jew nor Greek, there is neither bond nor free, there is neither male nor female; for ye are all one in Christ Jesus." That is to say all those temporary barriers have broken down: in our Lord Jesus Christ (we might very well paraphrase the words to suit the conditions of our time) "There is neither Eastern nor Western, there is neither English nor German, there is neither landlord nor tenant, there is neither capitalist nor workman, for ye are all one in our Lord Jesus Christ." Can anyone say that Christianity is a purely individualistic religion, and that in the relation between God and the individual all religion begins and ends? No, a thousand times no! In our Christian faith alone we can see the reconciliation between the claims of the individual, and the claims of society. We want each individual to develop his powers to the uttermost, both for himself, and in order that he may contribute those gifts and qualities for the good of the whole society. That is, I take it, what St Paul means when he says, "Ye are all one man in Christ Jesus."

Well then, to sum up. I say that we have a unique motive and an inspiration in our Christian faith. Of course, I am not saying for a moment that others who do not hold our faith, lack motive and inspiration of their own, but I do assert that we who believe the Christian creeds have a great motive and a great inspiration in the fact that God Himself has entered into our human life. We believe that our Lord Jesus Christ showed upon the cross the law of perfect self-sacrifice, and thereby taught us that self-sacrificing love belongs to the life and character of God Himself. We believe that in His risen life He gives us His indwelling power. We long to take our share in Social Service in removing the stones which hem in the Lazaruses of to-day, but we know that without the power of Him who is the Life we should be of all men most

miserable. With the certainty of His Presence and His strength we can go forward, do our little and our big jobs with unceasing zeal but with perfect quietness because we are perfectly sure that the Lord is King, that He is working His purpose out, and that we have only seen the very beginning of what may be done from the inspiration and the motive that comes from our Lord Jesus Christ.



## THE SUPREMACY OF THE SPIRITUAL

THE REV. J. M. LLOYD THOMAS

NOTHING is more characteristic of our day than its social enthusiasm and good-will ; its confidence that Life is plastic to manipulation ; that by the passing of wise laws and by their firm and intelligent administration we may secure plenty and happiness for all.

Many modern social experts, judging by their sanguine utterances, feel like skilled potters at the wheel. The clay of civilisation is infinitely mouldable and may be thumbed and patted this way and that and finally shaped to the design of their desire and their dream. Others who preach the dogma of determinism most loudly yet believe so little in the iron control of the past that they put their whole faith in the call of the morrow, in creative freedom, in power to form a new world patterned according to postulates of their optimism. And in this they would seem to be sharing some general buoyancy of our age.

I said that nothing is more characteristic of our day than this social self-confidence. I ought to have said nothing is more characteristic than this *except* the inevitable reaction against it. Weariness, disillusion, despair are also strongly characteristic notes of our time and chill our immature and exuberant hopes. Party-politics give forth hollow sounds and mocking echoes. Their watchwords do not thrill even the youngest of us. Nor can the restlessness of irreligion any longer find rest in mere philanthropic distractions or make up for its inherent lack of faith by social good works. There is now no refuge for the Agnostic in political positivism. Our religious decadence has at last reached our practical enthusiasms and touched them with a numbing blight. We discover

that the Life of religion and the Life of humanitarianism are essentially one : that their disease and their health are one, and that the priority always belongs to religion.

This will come vividly home to us if we reflect on the nature of contemporary scepticism. It has passed from theology to sociology, from ethics to politics. Our case is that of young John Stuart Mill but in an advanced and aggravated form. When he was a cultured and polished young man of twenty, he asked himself a shattering question—a question which few of us ask at all, and, of those who do, hardly any ask it until they are too old at forty. It appears in his Autobiography in a chapter entitled “A Crisis in my Mental History—One stage onward.” He was in a stage which he describes as “the state I should think, in which converts to Methodism usually are, when smitten by their first ‘conviction of sin.’ In this frame of mind it occurred to me to put the question directly to myself : ‘Suppose that all your objects in life were realised : that all the changes in institutions and opinions which you are looking forward to, could be completely effected at this very instant : would this be a great joy and happiness to you ?’ And an irrepressible self-consciousness answered No ! At this my heart sank within me ; the whole foundation on which my life was constructed fell down. All my happiness was to have been found in the continual pursuit of this end. The end had ceased to charm and how could there again be any interest in the means. I seemed to have nothing left to live for.”

This was for Mill the crisis of the strong disease, and yet a salutary if sad initiation. However egotistic his dejection, it coloured and even featured his whole outlook on human life. For now the question assumed for him its most virulent form—namely, “whether, if the reformers of society and government could succeed in their objects, and every person in the community were free, and in a state of physical comfort, the pleasures of life, being no longer kept up by struggle and privation, would cease to be pleasures.” Happily for Mill, through the influence of Wordsworth’s poetry his emotions revived. Where philosophy had failed to enlighten, poetry

had availed to animate. He came to believe in the faith and aim of Socialism though not in its means and practicability. Once more he was convinced of "the extraordinary pliability of human nature" and seemed to share the conviction that "it is not possible to set any positive bounds to the moral capabilities which might unfold themselves in mankind, under an enlightened direction of social and educational influences."

It may be doubted whether we can still cure Mill's pessimism with Mill's optimism. To his difficulties we have to add some of our own. Our scepticism does not hinge on the dependence of pleasure on pain. We question not this system of economics or that arrangement of material resources, but rather our power to bring about *any* ideal system and realise *any* ideal theory. It is human nature itself that we now distrust. We challenge the competency of all ingenuity and statesmanship whatsoever to make actual our social dreams. In this mood of pitiless ultimate examination, men and women once ardent and unhesitating in their hopes, suffer a certain contraction and cooling of heart. Their social convictions have lost their resilience and lifting power, for they have begun to inquire with a new thoroughness and sincerity, whether democracy is not after all too frail a fabric to stand the strain of our ethical and spiritual demands, whether it is not too fickle, too stupid, too selfishly corrupt, too gullibly exploitable to yield the loyalty, the intelligence, and the sense of responsibility which "Social Reform" must exact and pre-suppose. Is not the multitude—that is to say ourselves, and what includes and partly governs you and me—is not this the prey of every clever journalist, the fool of every unscrupulous self-advertiser, the dupe of every ambitious and intriguing politician? Is not the effort to build the structure of a strong and pure civilisation out of such material like the attempt of an engineer to build a bridge of wide single span out of lead? The plans and designs may be formally perfect in their way, but not perfect having regard to the material, which will not bear the assumed stress and strain. It is to ask a sculptor to chisel a replica of the Laocoon group out of sand. He may be a fine and

resourceful artist, but the substance he works on will not bear his treatment.

If it be said that this is to take too proud and superior a view, we must observe that this lowering of the temperature of trust is evident in the modern revolt within the Labour movement itself. It arises there, it is true, from disappointment with the chiefs rather than with the people ; but that deeper disappointment is not entirely inarticulate ; despairing of leaders, despairing also of Parliament, of Parliamentary methods and of the party system, the Syndicalists, for example, stake their all on Democracy itself. If leaders have failed, their followers may yet succeed. If Parliament has failed, "direct action" and the "General Strike" may yet win a way out of bondage and the wilderness. This movement has at least this in common with early Christianity, that it begins with the common people ; it despairs of the existing world-order and it proclaims a kingdom of righteousness to come. Its faith is in that sense apocalyptic and eschatological. The myth of the "General Strike" is, in the philosophy of Sorel, what the belief in the personal and visible second coming of our Lord was for the early Christians—an organising hope and an inspiring expectation. It means an attitude of detachment from the common interests of our day. It is a conscious break with the past, a frank acceptance of the principle of revolution and a definite anticipation of a final catastrophe. It feels a conscious and aggressive antagonism to the present state. It sees a coming transfigured world ; and by preparing deliberately for the day after the revolution, it has fashioned an *interims-ethik* of its own. It makes the future kingdom in some sense present because it becomes an operative inner power. They do not say merely, "Lo here !" or, "Lo there !" but "Behold, the Revolution is in the midst of you." It is a fiery leaven kindling and disciplining the social revolutionaries into an intense loyalty to their cause. But the time will come, if it has not come already, when the more fiercely rebellious will carry their present distrust of leaders yet further and will lose faith in the people themselves. And then—what will happen ? Then, perchance, they will be in a fair way to

save their own souls and those of others. For they will then have reached a decisive and critical turning-point which will give to religion its supreme chance of being reconsidered. No secular crisis fails to awaken reverberations in the life of the spirit, and every desperate reaction in the one world gives rise to some corresponding or contradictory movement in the other. So it is that the politically disillusioned are being driven to-day to find a new centre of gravity. Their mental instability seeks and finds equilibrium and peace in religion. This is, I think, *the most significant thing that is taking place in our own time*. The new stage has already been reached by a small minority of religious extremists who are probably heralds of more to follow. There are now among us men and women whose most passionate Christian idealism springs from a fierce discontent with this world and a despair of its possibilities. Out of that despair their brightest hopes emerge. Pessimism is the very soil in which the fine mystical flower of their optimism is rooted. They rejoice with a kind of cynical defiance in showing the utter perishableness of perishable things. They exult in asserting against the shadow show of passing vanities, the one thing needful—that only the Eternal can feed and sustain the joy of the soul. The superficiality of our social theories and the transiency and shallowness of our social enthusiasms elicit only their pity and their scorn. Their heart is in the Spiritual Highlands, their heart is not here.

They understand the spirit of the childlike Curé of Ars who said :—

“Do you not see, my children, except God nothing is solid—nothing, nothing. If it is life, it passes away ; if it is fortune, it crumbles away ; if it is health, it is destroyed ; if it is reputation, it is attacked. We are scattered like the wind . . . Everything is passing away full speed, everything is going to ruin. O God ! O God ! how much those are to be pitied then, who set their hearts on all these things !”<sup>1</sup>

They put forward a plea for other-worldliness with great

<sup>1</sup> Eng. Trans., 40-41, cf. Baron von Hugel's "Eternal Life," pp. 372-373.

power and earnestness. If I understand them aright their hope of this world is first of all in despairing of it and in getting others to despair of it. For this despair alone can cure us of the inveterate and obstinate illusions of secularism. When we have all sufficiently repudiated this world, to find nothing in it to attach us to it strongly, then it begins to appear for what it is, no abiding city, but something disciplinary, probationary, preparatory. Then our real interests and spiritual values will be seen to subsist in another order and quality of being, in "another world" in fact, namely, in communion with God, and with men in and through God, that is, in the fellowship of a Holy Catholic Church Life. When we have reached a certain negative attitude towards the sensuous and carnal joys of this world, then, and not before then, we have taken the first step. We shall see the reasonableness of its provisional nature and of our own detachment, and shall reap the fruitfulness of a sane asceticism in the inner spiritual quality of our life. Nay, more, we shall see that the whole process involves one further asceticism—the spiritual asceticism of self-sacrifice for the sake of the redemption of others, the asceticism of the Cross—the yielding up of life and the gaining of it in the joy that is set before us and *therefore* in the only true joy *that now is*. This view is at least thorough and sincere, and, in spite of a certain intransigence, essentially sound. It is the view of minds who have awakened out of our contemporary philanthropic and humanitarian fallacies into an almost intolerably vivid spiritual realism. They are not any longer absorbed in, they are hardly preoccupied with, the Social Problem. At first they seem to us curiously alien and remote from our discussions—strangers and pilgrims as all our fathers were. But are they not uncompromisingly right in thus recognising that one great problem comes ever before this problem of Industrial Unrest and the Living Wage, and that is the problem of Spiritual Unrest and of the wages of going on and not to die?—the problem, namely, of our personal consecration and moral equipment for the task of reform? Is not this more urgent and absorbing? Is there, in fact, any other hopeful avenue of approach to the Social Problem than this one of

Religion? If there is to be a "before" and "after" instead of an altogetherness must we not first of all answer the questions of the soul before we may touch with healing power those of the body? I am addressing an audience of people whose mere presence at this Summer School is a guarantee of their social earnestness. I speak on a specially Sacred Day of Rest and meditation and prayer before immersing ourselves in the conferences of the week. I shall therefore not be misunderstood if I press somewhat acutely the question whether the impotence of modern reformers does not arise from the prior impotence of their personal spiritual life. Are we not in danger of yielding to the taunt of the Secularist and, in deference to his jibes, of inverting the true order of the spiritual and the material? May it not be said with some truth that the haste of the Churches to absorb themselves in social questions and in social service is only their last convulsive struggle to escape the consciousness of a deep-seated religious sterility? Of what use is it to rush into a social campaign until we have a clear vision of the goal of Life as spiritual and eternal, until we have a sure and certain sense of the value and destiny of the individual soul? Are we thorough enough, sincere enough, remorseless enough in our analysis of what these social problems involve? Is there any hope or promise of enduring good in our social studies and social activities until we approach them as ever in the Great Taskmaster's eye and in the power and felt presence of an "other worldly" life. Nothing else is strong enough or clear-sighted enough. Amiable good-will, condescending sympathy, gracious philanthropy, humanitarian enthusiasm, political zeal—these are well so far as they go, but these are wisps of straw that shrivel in the furnace of faith's trial. Only a conviction, like Christ's, of the infinite worth and immortality of the individual soul, a conviction that has become as steel finely-tempered, can serve in our battle. Only the Christian who has looked far over the edge into the depths of the abyss and beyond death, and has come back with a smile of courage and confidence is fit for the social crusade.

Churches already spiritually null and void do better to become

centres of social enthusiasm than of no enthusiasm at all. But it is possible for churches really spiritual to surrender too unthinkingly to the materialists who denounce them for other-worldliness. They do so surrender when they forget that "our citizenship is in heaven" and that we must win invincible arms for the world's conflicts from an other-worldly source. We could not fight with a final and unyielding chivalry, with the self-committal of an utter loyalty to Christ and to His community of the kingdom ; we could not endure so steadfastly in these very moral and political crusades, loved we not more a supernatural and an other-worldly life of the Spirit and of the Church Catholic.

We often go wrong, I believe, because we strive to produce social arrangements that shall work for earthly happiness, not for spiritual holiness. Physical pain and material poverty have become more dreadful in our eyes than the soul's dereliction and sin. Oppressed by physical want and angry with the oppressor we lose our sense of priorities and begin to speak again almost as if man lived by bread alone. Because the physical man plainly dies for lack of this bread we forget the more important truth the spiritual man may die with plenty and *to-day is so dying*. Our eyes behold the wasted body, but our imaginations and insight cannot see, and are not horrified by, the ghastly moral emaciation of wasted souls living in pride and material abundance. After all, what reason is there, except my own blindness and philistinism, why I should weep more bitterly for the physically starving poor than for the spiritually starving rich ? Had I the sincerity to see it and the courage to say it, should I not admit that the physically indigent poor are more to be envied than the spiritually destitute rich ? Is the material poverty of the poor more personally destructive or socially ruinous than the spiritual poverty of the affluent ? Language of this kind, I know, is irritating and sounds unreal because we do not act sincerely upon our moral perceptions. But I am certain that this view is nearer to the mind of Christ than cheap social remedies which heal the hurt of the people too lightly. "Blessed are ye poor : for yours is the Kingdom of God. Blessed are ye that hunger



now : for ye shall be filled. Blessed are ye that weep now : for ye shall laugh . . . But woe unto you that are rich ! for ye have received your consolation. Woe unto you, ye that are full now ! for ye shall hunger. Woe unto you, ye that laugh now ! for ye shall mourn and weep " (Luke vi., 21 ff.). We give a completer homage to the power of the physical and the material than our Lord ever gave or sanctioned ; and therein, I would humbly suggest, is the inner treachery of our age.

Take such an instance as the health of the body. Some of the mediæval ascetics argued indeed as if the body were the enemy of the soul and the greater the mortification of the flesh the greater the vitality of the soul. We live in days of eugenics, and of personal and social hygiene. We believe that the healthier the body the better chance is there for the holiness of the mind. Our ideal is the fit and the athletic constitution responding like a well-constructed machine to the direction and control of the mind. We are rather inclined to agree with Dr Johnson (I think it was) who said that every man is a scoundrel when he is sick.

Yet we know that there are, and will continue to be, experiences of physical pain and weakness ; and we know of cases where affliction and calamity have seemed, *even providentially*, to purify and soften the heart, when health and prosperity had kept it hard and unloving. We also know the contrary, where affliction has produced only a whining querulousness and a selfish egotism. How shall we say in any given case that physical comfort and material well-being will be desirable and must bring forth the fruits of the Spirit—Love, Joy, and Peace ? Or how shall we avoid or qualify the truth that *all* things work together for good to them that love God ? Is not the primary Social Reform, the Reform that includes all other reforms, just that which it is now the fashion to regard as the merest cant, namely, a divine and Christlike solicitude for souls and a winning of them to the love and obedience and peace of God ?

It has become a platitude to say that the Social Problem is not a problem, but a confusion of inter-acting problems. They

run round each other in vicious circles and twist like kittens on their own tails. We begin with the home only to find we ought to have begun a generation ago with the parents. We save the children by condemning their fathers and mothers through relieving them of their parental responsibility or abandoning them as utterly irredeemable. We remove the hovels that turn human beings into beasts, only to find beasts that would turn model dwellings into hovels. We begin with Temperance and find that Drink is an effect as well as a cause ; that prosperity like poverty may make for drunkenness. We talk learned scientific talk about heredity and environment as if there were a kind of fatality annulling all personal initiative, responsibility, and moral creativeness, and find that we cannot fix blame on any one, neither masters nor men, and that we must bear the doom of a vitiated and imbecile human nature, and address our complaints to the nature of things and the constitution of the universe. We begin in strong individualistic faith with personal character and find it already stamped and minted by circumstances, by early education, or lack of education. We begin with the school and find its influence neutralised and obliterated by the circumstances of the home, the street, the factory.

Is not the warning of the parable of the wheat and the tares ever before us ? It is not merely that very often we do not know which is darnel and which is good grain, but that even when we do know, yet to pluck up the tares is to pluck up the wheat whose very roots are entangled and matted with the evil weed. Nay, more and worse, we cannot even treat the soil, either to fertilise or to sterilise it, without affecting the fate of both kinds of growth. Is there anything left to us but the prophetic word, "Thou shalt gather them one by one," or to see that "the enemy that hath done this" shall be converted from malice into goodwill by the redemptive appeal of religion, so that once more we are back where we were, namely, that Social Reform begins and ends with the Spiritual. "Fear not them which kill the body, but fear them which can kill both soul and body in hell" including the hell that now is.

Even if we were clever enough to manipulate the material in the interests of the spiritual, how far will our powers extend? I recall that painful cry of the heart which issued almost from Father Tyrrell's very deathbed. "To-day we are so enamoured of our scientific and material progress that we have no eyes for our many decadences, even though we are face to face with social and moral chaos. We believe, with childish simplicity, that we are making straight for the millenium. We forget that every new comfort is a new necessity, a new source of discontent and unhappiness, and leaves the relative proportion of happiness and misery unaffected. Thrust out at one place the tide of sorrow breaks in at another. *Expellas furca tamen usque recurret*. . . . Shall progress ever wipe away the tears from all eyes? Shall it ever extinguish love and pride and ambition and all the griefs attendant in their train? Is it enough to give a man bread for his belly and instruction for his brain? Prolong life as it will, can progress conquer death, with its terrors for the dying, its tears for the sorrowing? Can it ever control the earthquake, the tempest, the lightning, the cruelties of a nature indifferent to the lot of man? And even, given the attainment of its facile dreams, can progress postpone the day when mankind shall be blotted off the face of a universe that will go its way as though he had never been?" . . . "A cage-born bird, he wonders what his wings are for. He tries to make a heaven out of earth, as it were ropes out of sand. He was made for something else—he does not know what. Like the domesticated beaver he builds his dams across the floor—he cannot tell why. Not till he is in his native river will he understand his restless instinct, and the river is beyond all his present experience and imagination."

These passages from Tyrrell if they enter into us at all deeply will either freeze our blood or heat it as with flame. With him they were the expression of a defiant optimism, not of a beaten and baffled pessimism. Because he had a transcendent faith in the Eternal he moved with surer step in the midst of the Temporal. He saw that "far from relaxing moral effort for the alleviation of earth's misery, the Christian Faith, rightly

apprehended, intensifies and purifies it. Those who fight only for victory grow slack when victory is hopeless. Those who fight for hate or for love will fight till they drop. Such has been the desperate energy with which typical Christian saints have combated life's evils, moral and physical—the energy of those who are masters, not slaves, of their purpose, whose provisional attachment to life's interests is subordinate to an ultimate detachment: who use the world as not using it; who strive for success and smile when they fail! Like Christ they serve; like Him they are lords and masters of what they serve. They are not immersed in the clay which they are moulding, but stand well outside it and above it."

It is thus that we shall recover our true mastery over matter and learn to subdue it in the interests of the spiritual. We shall know the poor not as ill-treated animals that appeal to our sentimental sympathy like the dogs in our kennel and the horses in our stable. We shall know them for what they are—as souls, immortal souls. Having recovered this sense of their spiritual origin and dignity and destiny—of their membership in an enduring Holy Community, we shall go to them not with the gift of alms but with the due of justice—the justice which is God's mercy and truth and righteousness and peace who have met and kissed each other. Because our fellow-men are seen to be spirits not bodies, ends not means, personalities not things, we shall understand that our social injustices are not merely ill-using and disfiguring shapely and beautiful bodies, but are tempting, defiling, and enslaving souls, and that *those souls are souls of our souls, spirits of our spirits, and of inestimable preciousness in the sight of the Holy God*. We must recover the kind of sensitive and instinctive loathing to human exploitation which drove the gentle Channing into the thick of the Anti-Slavery Campaign and made him cry when it was no light peril to utter the words, "Property in Man! Property in Man! You may claim matter to any extent you please as property, the earth, the ocean and the planets, but *you cannot touch a Soul*. I can as easily conceive the angels of heaven being property as men."

But in a deeper sense probably than Channing realised,

Life is sacramental through and through, and matter *does* touch souls for good and for ill, for blessing and for curse.

"What," asks Mr Peile in his Bampton Lectures on "The Reproach of the Gospel," "What, if you look at it sincerely, are the conditions of casual and underpaid labour but slavery without its safe-guards? The acknowledged slave was often well-treated, clothed and fed and even maintained in old age. It was the owner's interest on the whole to keep his human chattels in good condition and in good temper. The free workers, slaves of penury, have not even the value of a chattel; they are absolutely dependent on employers, who too often cannot afford to treat them well, being themselves in bondage to the tyrant competition. They cannot leave their miserable work, and if they do wander away, it is only to find elsewhere conditions equally cruel and degrading; they have no claim on their masters beyond a minimum for tasks actually done, and when they fall, weary and worn out, only destitution awaits them. Even the last and vilest reproach of the slave system is not done away: virtue, honour, purity are as hard to keep for thousands of free-women as they were for the veriest slave."

Since Mr Peile wrote that we have had some relief in old age pensions, and other social legislation. But the chief point of the passage remains as keen and sharp as ever. Surely he was bravely right in using that offensive word "slavery," in not shrinking from proclaiming from the pulpit of St Mary's, Oxford, the existence of this putrifying leprosy among us to-day.

We are far too much inclined when thinking of slavery to recall pictures from "Uncle Tom's Cabin" of negro slaves in the cotton plantations. That was real slavery we think. The crack of the whip is audible: we hear it hiss through the air and see it coil in cutting folds round the sensitive naked bodies. It was brutal, diabolical, and our fastidious nerves shrink. But in sober truth, for any one who can see a little behind appearances, our slavery is nearly if not quite as bad. Our whips are invisible and inaudible, and wielded by invisible and inaudible forces. That is the horror of them. We only

realise their power when a groan escapes the lips of some one driven by starvation to the old routine of painted vice, or when the suicide of a self-respecting out-of-work labourer or some gruesome infanticide by a mother made crazy with hopelessness, raises a grisly spectre of torture before our imagination.

We cannot of course indict one class or section of the community. We are all in some measure implicated. There is no one righteous, no not one. Every one of us is stained with the blood of his brother. We cannot indict one class—yes, *one* we can and must. The deepest guilt is on those who do not with penitential tears care that it is so, who do not burn for change, who do not understand that we are not destroying bodies but degrading characters, poisoning minds, demoralising human, spiritual personalities and dismembering the Church of Christ. The flagrant crimson sin is theirs who do not study and agitate and work and sacrifice and pray for the ending of this night of misery in a more merciful dawn.

First, last, midmost then in point of importance is the recovery and revival of the "spiritual outlook," of a Christian sense of the infinite value and potential sanctity of the human soul. Only in that conviction can we regain for our age a faith confident and yet desperate enough so to shape the material that it shall not hinder but encourage the finest development of the individual in communion with the Sacred Society. By that Christian standard all our schemes should be measured and judged. Only by such a faith can we become masters of the material mechanism of existence and make of dead tools the liberating instruments of life. "Progress" then will not be the deception it mainly is to-day. In the minds and hands of Christian reformers it becomes a saving and redemptive idea, an ever increasing and enriching realisation of the ends of life in and through the means. The difficulties I have thought fit to emphasise so harshly are real difficulties, but at worst they must be conceived as stuff to try our soul's strength on. They come to us saying—these things ought ye to have done and yet not have left the other undone.

Whatever we may say about the effect of pain and affliction

and tragedy in converting and softening the hardened heart, we know that the good man would, as a rule, be a more effective organ for good if he manifested his saintliness and love through a healthy and vigorous body, than if he were crippled and paralysed into heroic endurance. Therefore we will continue with open eyes the campaign for personal and social hygiene. We cannot forget that Christ was a Healer of bodies as well as a Physician of souls—though indeed he operated always by faith and love. Whatever we may say about the Home at Nazareth and the Light and Life of the World that sprang thereout, yet we know that the single tenement is not conducive to purity and health and religion. We repeat, "give me neither poverty nor riches" because we know that neither great and embarrassing wealth, nor abject and enforced squalor is usually a favourable condition for morality.

In an austere recoil from luxury we may say that a man's life consists not in the abundance of the things he possesseth, yet some minimum of material resource, some physical nucleus we all need so long as we are in the body, first to live at all, and then to live, above the brutal arena of a life and death struggle, in such a way as will admit of human self-expression and individual freedom as a member of the fellowship of the faithful.

And if what I have said be true or even faintly suggestive of truth, our mission is not to the poor only. Our witness must be delivered to ourselves, to comfortable classes like ourselves, and still more to the excessively rich. That for lack of which the poor perish may be a peril to those who are over-sated with abundance, like excess of manure rotting the roots of one plant while another languishes and withers for want of it.

And because we believe in the supremacy of the spiritual over the material we will endeavour to sustain each other's faith and revive each other's enthusiasm. Our need is not merely for more study but for more *studium*, for more zest and ardour: not merely for more Light but for more Love. Our coming together here is confessedly for education in social service, but what we most earnestly desire, and what we most richly receive is religious refreshment, a new kindling of faith, a vital regeneration, the vision of a hope of things to come,

the glad assurance that it is all splendidly worth while. The chief contribution we can each give is therefore spiritual. With the Psalmist we confess, "I had fainted unless I had believed to see the goodness of the Lord in the land of the living." I had fainted unless *I had believed*; and if we could believe enough we should find a solution. If we had faith strong enough, we should blossom into works and into the joy of service. Our Unions ought to become centres of Social Idealism because there is already at their heart something greater than a social enthusiasm—a redemptive life-energy sending our members out into the world as strong citizens determined to show that religion is a practical force working the works of faith upon the visible fabric of the City and the Nation, whose men of organising genius, of directive administrative ability can use their powers not to exploit but to save; because seeing the multitudes a prey to wolfish material necessities, and as sheep without a shepherd, they are moved with compassion to become their leaders and saviours. And if men who believe in the supremacy and finality of the Spiritual will not seek thus to capture the material order for the Kingdom of God, then men of materialistic and secular ideals will have the field to themselves. Social Reform will then pass beyond the control and guidance of Christianity and may be so championed as to defeat the ends of morality and religion. For there is a Christian type of Social Reform and there is a secular type, and it is the merest self-delusion and blindness to pretend that they are identical. It has sometimes been argued that Social Reform remains Social Reform whether it be for sensual or for spiritual ends, whether it be undertaken in the context of a perishing world, and for beings that are extinguished at death, or in the perspective of Eternity for immortal souls and a communion of spirits for whom Christ died. There is no such indifference or neutrality for the reflective mind. The man who has ventured to put to himself the ultimate questions, wants to know what type of human society is to be developed and organised, what final goal or consummation of humanity is to be kept in sight as an ever-fixed mark.



Most of us here, however much we may disagree with it, are not frightened at the word Socialism, nor perhaps wholly unsympathetic with the spirit of the actual movement. I shall therefore not be misunderstood as making an attack on it if I repeat what I have said elsewhere that Secular Socialism as such, uninfluenced and unguided by the Christian spirit, might conceivably give more race-courses for a sporting community and fewer parks for the children: more casinos and gambling-hells and fewer museums and art galleries: more drinking dens and brothels and fewer libraries and concert-rooms. The devil does not cease to be the devil nor the brute the brute simply because he has been nationalised and made to sit as President of a Socialistic State. Every question, every movement is at bottom a moral and religious question. Personally I do not think that any Socialism would actually work out in the way indicated; but this is only because I believe in the Christian responsiveness, in the moral sanity and religious instinct and purpose of the people, and, above all, in the victorious and inspiring power of the Church of Christ. We must therefore express always and everywhere the ethical character and spiritual intention of our movement. Our reforms must be animated and charged through and through with unworldly ends and values. If they are, then the perfect Life of the Spirit will be seen not as something to be reached merely at the conclusion of a process, or merely in another world, but as everything here and now, within the process itself and at the very depth of this world. It will be seen as the only reality and power within the very campaign on which we have embarked. That is why this is especially and distinctively a task for Christianity and why we need all Faith so as to remove mountains, and even the very Love of Christ before we can hope to master the material and shape it to the pattern we have seen on the Mount. But given that Love which is the greatest of these—greater than our intelligence, our knowledge, our economic science and our political and business capacity—given that, then we may be sure that all our depression and hopelessness will vanish like a wraith. We live again in the morning of the world's prime. There is

meaning, there is purpose in our social and personal struggles. We battle on knowing that the stars in their courses fight for us. We wage losing battles because we know that they are necessary skirmishes in a crusade that can never finally fail, because the campaign is God's and Christ's and not our own. We understand that this natural and material order is not all, that this world is not final but provisional ; that it is a school, a gymnasium, a trial, a discipline, a training ground, anything but our permanent home ; that our business is not even to attempt to make it into an abiding city but rather to equip it as a preparation and (if I may use the words of a liturgy with which I am familiar) to "make this world a fitting fore-court to that sanctuary not made with hands where our Life is hid with Christ in God."

There is only one unconquerable faith, only one triumphant social gospel, only one invincible and victorious confederacy. It is that which can go to men and cry the ringing challenge—Who'll join the defeated army ? Who'll fight for the beaten banners ? And they will answer who think they understand the strange words of the Apocryphal Gospel of Nicodemus.

"And the Lord placed His Cross in the midst of Hell, which is the sign of victory and shall remain there even for evermore."

## THE STANDARD OF LIFE

PROF. E. J. URWICK

I HAVE been asked to define the standard of life. This I interpret as a request that I should discuss some considerations which may help to make definite and explicit those conditions of a satisfactory life which we wish to see within the reach of every citizen—the conditions of well-being, in fact, which we would have clear in our minds throughout all our discussions of work and wages.

Very well: that shall be the primary object of my paper. But you must allow me to go a little further. The subject has a many-sided significance, and to two aspects of it I am bound to pay some attention. There is, first of all, the obvious distinction between a standard of life and a standard of living. In our subsequent discussions we shall be concerned chiefly with the latter; yet it is the former about which we really care. That is to say, all the time that we are dwelling upon the material setting of a satisfactory existence, we know perfectly well that what we want to see realised is something quite different—let us say, the spiritual values of a good life. Now I intend to deal later with the relation of these spiritual values to the material values—the relation of the “life” to the “living”; but I wish at the outset to insist that there *is* a very close relation between them: that the distinction, though real enough, implies no gulf of separation: and that therefore there is no inconsistency in our spending our time elaborating a standard of living, which we would see established, in spite of the fact that this is not what most of us are thinking about as the essential thing to see realised in our community. Put quite simply, I take it that we refuse to divorce the good life from the necessary material conditions of living, since the

opportunity to live decently is, for normal people, an essential preliminary to living nobly. And if we are accused of concentrating too much attention upon the material side of our subject, we shall answer that, in human society as we know it, any standard of life must be proclaimed first in terms of economic value ; that opportunities to live well must be boldly translated into amounts of cash wages ; and that the needs of life (in the highest conceivable sense of the word) must appear first, and must be regarded first, as the needs of healthy existence.

In the second place, I intend to advocate a standard of living which ought to be both universal and assured—that is to say, a standard which we should all be prepared to accept as reasonable, *and* which we wish to see actually assured for every citizen.<sup>1</sup> The full implications of this universality and this assurance must also be dealt with later. I ask leave to insist upon them now for two special reasons. On the one hand, I find it difficult to conceive of a progressive society which will not, a century hence, think it as reasonable to have an established national minimum of the material of a satisfactory life as we now think it reasonable to have an established national minimum of sanitation, education, and protection against cut-throats and bandits ; or as all decent, well-to-do people think it reasonable to have an established and observed minimum of comfort and leisure for the servants who live and work as part of their households. On the other hand, I want, quite clearly, to dissociate myself from that social doctrine which insists, indeed, upon a high standard of life, but obstinately refuses to allow that standard to be itself standardised or universalised or in any way assured for anyone. But let me give these doctrinaires their due. The chief among early advocates of a high and rising standard of living were the very people to whom we usually attribute the Iron Law of Wages—such as Malthus and other early economists. These believed in a progressive standard of wants ; they desired a labouring

<sup>1</sup> The word "assured" must, of course, not be understood as implying the advocacy of any unconditional *gift* of equipment. It is to be taken in the sense of "assured in return for honest, necessary work"—irrespective, however, of the *grade* of work.

population saturated with healthy discontent—provided always it was unorganised discontent. One of Bastiat's famous economic harmonies was accepted as their formula for economic progress: First wants, then efforts, then satisfactions, in an ever-recurring cycle of motive and result. (So strong was the faith of some of their later followers that they even *imposed* wants upon more primitive people, such as African natives, who insisted upon clinging to the economic sin of contentment.)

Now these early advocates of a standard did good service by knocking out the old, detestable fallacy that stagnant acquiescence in poverty must be regarded as a permanent social virtue on the part of the "lower orders." But they failed to see that, as society was pressed closer together, and individuals forced more closely into groups, both homogeneous and organised, so the discontent must become organised too; and that, as sympathy spread, and the vague beginnings of real social brotherhood, so standardisation becomes inevitable, and the standard, made uniform, must be brought within the reach of all. Their ideal—"Give us a working population with insatiable wants and unlimited discontent, which shall always be individually, but never collectively, active"—is inevitably giving place to a very different ideal—"Give us a society which recognises that the vital *wants* of all are also the vital *needs* of all, and *therefore* their fulfilment must not be left entirely to the haphazard play of uncontrolled economic competition." Moreover, the doctrine of these early advocates has shown, in the hands of some of their followers, a dangerous tendency to turn round upon itself. I will give two examples of this tendency, in order to justify my opposition to the doctrine. (I am referring, of course, to what is often described as the individualistic school of social policy, and its doctrine that, though a progressive individual standard of wants is excellent as an incentive to individual effort, an established social standard is the exact reverse.) One writer—the only one as far as I know, who has written a book in praise of "A Standard of Life"—has asserted the astonishing principle that, "If the narrow home makes the family life impossible,

it is because the family life is already weak." This principle has many implications, from most of which I vehemently dissent. But the particular point to notice is that it implicitly denies *any* causal connection between standard conditions of living and the quality of the life lived; and in this way really cuts at the root of much that we mean by a standard when applied to just the most important of all the conditions of living. The second example is still more dangerous. In a paper recently read before the Charity Organisation Society of London, it was urged that the poorer hand-workers should be induced to substitute a cheap vegetarian diet for their extravagant meat diet. Now this may be excellent advice, so far as increase of health and efficiency is concerned. It is perfectly fair to urge that we shall all of us get more out of life if we change our imperfect habits of feeding or clothing ourselves. But that is not the point. If the advice is urged, as I think it certainly was, on grounds of thrift and economy—on the ground that, in this way, the very poor workers would find it possible to live on their very poor wages, and therefore might be satisfied with them instead of being very dissatisfied—then I venture to assert that the advice is historically perverse, socially mistaken, and in general quite damnably dangerous. It runs counter to the experience of the lines of material advance of every working class in every country. Material progress has *not* come from doing with less, or making little do, but from wanting more, and insisting upon getting it. It is a kind of greedy process, if you will; but it seems to be the inevitable process of that progress which we call material. And it is bad counsel to advise the lowly wage-earners to purchase a kind of contentment by distasteful economies—however reasonable these may be on other grounds. It is a reversion to the old, feudal class-belief, which we thought the earlier individualists had killed, that it is the duty of the poor to be poor—and to be satisfied with their poverty. But there is a deeper objection. For just consider what the advice means to-day. Prices are going up, we find; wages seem to be less and less adequate; it is harder to satisfy wants. So we advise the poor to adopt a more economical diet, and thus meet the

difficulty. But meanwhile, we, the well-to-do people, are exhibiting to all the world a more lavish expenditure than the world has ever seen, in a general, widespread, obvious form—an extravagance of which the annual increase is to be measured in tens of millions of pounds. We say that the little, lowly standard of the poorest wage-earners is an extravagant one. Meat might be replaced by lentils, boots by clogs. Who are *we* to urge this? And it is false advice, too, when urged on them—though *they* might urge it on us rightly. For their “rising” in prosperity needs, for the present, a rising scale of demands: it needs *more* means, not simply a better use of the means they have. But *our* progress calls for the exact reverse: a declining scale of demands, and a lowering of a material standard which is already too high. I wish to make this as clear as possible, even at the risk of anticipating the later part of the discussion. Apart from the fairly obvious teaching of recent history, apart even from the question of our fitness to preach thrift and economy to the very poor, we must be ready to admit two things: first, that the standard of the wage-earners *must* be pitched high, if they are to get a fair share of increasing material prosperity; and secondly, that the content of their standard must be left to their own choice and decision. If they choose that it shall include pork and pickles, so be it. They are not children: they are on the path of progress by trial and error, just as much as we are; they, like us, are stumbling along the road to good, on their own legs, by the guidance of their own wills. I would even urge that their choice has already shown more insight than ours. If you trace the rise of the standard through the past century, I think that you will find that the demand for the inclusion of something more spiritual than adequate food and clothing has come very largely from the workers themselves. It is they, rather than their masters, who have insisted that leisure and some culture shall be added to the recognised needs of life; it is they again who are now demanding that certain elements of dignity and personal freedom shall be counted as part of the necessary possession of every worker.

But I must pass on to my main task, already made rather

difficult by my own preliminary observations. Our definition of the standard is now to be an answer to this question :—What are the requisite conditions of well-being, capable of statement in terms of economic values, which *we* believe ought to be within the reach of every willing citizen ?

These requisites may be roughly classified under seven heads : the need of food, the need of a home, the need of clothing and adornment, the need of leisure, the need of recreation, the need of what we may rather vaguely call culture, and the need of care in ill-health. In regard to these seven classes of needs, you will notice that there is one, and only one, which has yet been adequately defined—I mean, of course, the need of sufficient food. I dare not say that this is not the most vital ; but I do dare to say that it has received a disproportionate amount of attention. The reason is simple : in this one matter we have scientific calculations, expert measurements, and apparently solid statistics to work upon ; and it is always comfortable to rest on the firm ground of the necessary units of body-building and heat-producing food-stuffs, with their corresponding equivalents in money values. Consequently, many people think of the standard of living as entirely a standard of eating ; if only that is sufficient, all must be well. But this consequence is altogether deplorable, if, as I think is the case, it has meant the neglect of other elements of well-being, which, though not vitally prior to food, are socially and ethically even more important. And chief among these neglected elements is the need of a home. Here, if anywhere, our standard ought to be made explicit ; and it is just here that it is most vague.

I do not mean merely need of cubic space to dwell in, or of air to breathe, but the less easily measurable need of room for the life of the home to grow and to thrive. Evangelists like Mr Moody have told us that we are more in need, here in England, of homes than of churches ; that if Christianity does not do away with the one-roomed tenement, the one-roomed tenement will do away with Christianity ; that homelessness is the root cause of demoralisation. Yet we have generally left it out of our standard, and devoted all our care to food.



This omission is reflected in our budgets of expenditure among the poorer workers ; they seldom tell us much about the real condition of the families, because they so seldom tell us what kind of home there is. The same defect appears in the considerations of our Wages Boards :—though, for almost accidental reasons, this is likely to be remedied in the case of the agricultural labourers ; and, far more important, it is reflected also in the common acquiescence, on the part of the hand-workers themselves, of a standard from which the real home-needs are omitted. It is significant that, in a recent paper on the incidence of taxation, a very competent writer puts forward, as typical, families with an income of 8os. a week who are quite content to spend only 5s. a week on their rent.

How then shall we make this part of our standard explicit and definite ? Perhaps it can best be done negatively, and by suggestion. First, I would like to register our belief that a small two-roomed tenement is not and cannot be a really satisfactory *home* for any normal family of parents and children ; and secondly, I would suggest, as a positive example of the home-minimum, the standard homes built, under the direction of the late Miss Octavia Hill, in some of the poorest quarters of London. (I cannot quote the latter as a supporter of my contention for a universal and assured standard of the kind I am advocating ; but I can at least claim her support for what I am trying to indicate as the necessary material for a satisfactory home-life.)

The third class of needs—that of clothing and adornments—is certainly less important. But if there is any meaning in that much-abused phrase “self-expression” : if there is anything in the doctrine of a connection between clothes and self-respect, to say nothing of subtler connections with which some great writers have made us familiar ; then it is clear that we have no business to go on being content with a second-hand standard for a very large section of our hand-workers. We know perfectly well that the young people of both sexes *will* spend their money upon dress (I mean upon the dress that *shows*), and go short of food to do it—however heavily we frown at the practice. And I am not sure that we have any right to frown

at all. Nor can I see why their mothers and fathers should not be allowed to share that desire for display which is so evidently innate in the elders of the wealthier classes. I confess I have never been able to understand how most of the very poor wage-earners manage to dress as well as they do—any more than I have ever been able to understand how many of them manage to collect—and to keep—the ornaments which play so important a part in their conception of “their little home.” But this I do know; that one of the real needs of the poor streets of our cities is the need of brighter and newer clothes, at least among the older people; and that one of the real needs of their homes is the need of newer and better ornaments. And I refuse to hold up as satisfactory a standard which does not allow something for these.

Of the fourth class, the need of leisure, there is less to be said. We *are* recognising it, increasingly; and we shall be forced to do so yet more, when we have, as we soon shall have, fuller information as to the psychology of fatigue. Further, it is not one of the needs for which, as such, allowance must be made in considering the economic resources of a family. Leisure is not something to be bought with the weekly income; it belongs to the standard of conditions which must obviously be secured as a right for all.

The fifth and sixth classes are concerned with the use of leisure—a very different thing. And both the need of recreation and the need of culture are extremely difficult elements to include in our standard. As to the former, it is generally noticed that the amount of the purchased recreation is often excessive in the case of the boys and girls—as much in excess of a reasonable standard as it is grievously deficient in the case of their mothers, and not unfrequently in the case of their fathers too. Now this extravagance of the young people in the matter of amusements, as in the matter of clothing, is no doubt to be deplored; but as it is an almost universal characteristic of the young of all classes, we are bound to regard it also as an indication of what young people really think constitutes “life.” We may also say, with some truth, that, among the hand-workers (and other workers too), the wage earned during

some of the years of youth is really in excess of vital requirements, while during a greater number of years that follow it is not equal to those requirements. And it is perfectly legitimate to go on to urge that, in such circumstances, a more far-seeing and thrifty use of the wage is needed, rather than a raising of the later or adult wage. It is legitimate to urge this : unfortunately it is not likely to be effective in an age in which one of the most startling features is the growth of opportunities for amusements of undreamed-of variety and of enthralling interest. Perhaps it is more practical to suggest that, when we consider the adequacy of the adult wage in relation to our standard of life, we should be prepared, if it is necessary, to advocate some diminution of the total wage earned under the age of 21, side by side with an increase of the wage for older workers. This diminution is quite likely to be brought about by means of an increase of the period of prescribed education ; and this will result in some lessening of the unchecked extravagance of many boys and girls in the pursuit of the satisfaction of their vanity and love of excitement. (But I must still enter my protest against the tendency of good people to deprive the young of all free opportunities for "having their fling." That is a necessary part of life—for them ; and, if it is innocent, it is part of a good life—for them, again.)

The need of culture is the most incalculable of all. But here, too, it is possible to indicate something of value by negation. First, it is not for us to dictate the kind of culture, any more than the kind of recreation, which *we* think is most suitable for workers of a different grade. A museum may really represent for us the opportunity for the most ecstatic recreation ; and a free lecture may satisfy all our longing for culture ; but we have no right to assume that this must be so for others. Secondly, it is time that we recognised frankly that as education increases, the demand for increased cultural equipment and paraphernalia will and must increase too. Why should not a poor man have his own books, for example ? Twenty-five years ago Sir Walter Besant drew attention to the fact that there was not a single book-shop east of the city of London, though a million and a half of people lived there.

That is hardly less true to-day. Yet every one of us probably knows men and women living there who not only long for the possession of a few books which are beyond their reach, but would be better users of them than most of us who find it as easy as it is necessary to own them.

You will notice a difficulty here. Our definition of a standard in reference to these non-material elements is vague and unsatisfactory. Why is it? May it not be because we, the better-off people, have ourselves no coherent standard to which to appeal? We know that we should not be content *without* certain opportunities for recreation and culture: but we have no clear idea just *what* is necessary or vital or good. The truth is we are not experts in this matter of culture: possibly some of us are not really cultured. And we are equally ignorant of the art of recreation: possibly some of us, in spite of our opportunities, do not know how to recreate ourselves. Yet we should all agree in claiming as necessary something of this sort: *some* periodic change of scene and occupation; *some* days of every year in the country, if we are town-dwellers; *some* opportunities for our own chosen social gatherings and intercourse with friends; some evenings spent at a theatre, or whatever diversion we wish to substitute for it; some music—of our own choosing; some books, of our own owning; some help from experts in knowledge and thought; and something of art and beauty in our close environment. Well, why not the same for all the other members of our brotherhood? They have the same blood, the same feelings; and I am perfectly certain that, though their tastes are often starved by poverty, their power to appreciate, to use well, and to value these things that we call good, is, if class be compared with class, no less than our own.

I have purposely left one element to the end. I have called it the need of care in ill-health. But I do not mean merely so much medicine and doctoring. The need I think of is a more subtle one; perhaps it may be explained in this way. Just as we cannot realise, until we see it clearly through their eyes, what tragedy is involved in the sheer struggle for loaves of bread on the part of the very poor, or in the hopeless fight

for decency or most other things that are good when all the family life, with its intimate human, sub-human, and super-human activities, is confined within a single room ; so we only realise our own tremendous but matter-of-course advantages in the affairs of health and sickness when we meet face to face the pain and bitterness of an honest, hard-working husband or wife or parent, who has to watch impotently the slow decaying or dying of wife or husband or child—for lack of something needed, something known and possible, some treatment or change or rest just beyond their reach. Think of this, those of you who have seen it, and then follow me when I say that the standard shall and must include the means to save another's life, or prevent another's pain, when that saving or preventing is wholly a matter of a little more means.

I must please be allowed to bring in sentiment here. I have hitherto dealt merely with the cold, hard, theoretical requisites of an efficient, well-equipped, and passably satisfactory life ; and the thought of these does not move anyone. But here we come far nearer to the true grounds of our demand for an established standard. I would even say that the clothes and the leisure and the recreation and the culture may be left to take care of themselves—if only these deeper needs can be realised. For here we are touching real issues of life and death, of essential well-being or ill-being. And the discussion of the standard passes beyond a discussion of less or more *stuff* for satisfactory living. We drop discussion and cry aloud for *some* established standard, when we see men and women—not idlers, but workers—fighting for bread for their children. We demand a *high* standard, when decent working-men tell us, as Francis Place told us a century ago, of the inevitable degeneration of the one-roomed life. And we raise our demands higher still, in the name of our common humanity, when we think of our brothers or sisters watching pain or death creeping on those they love—preventable pain and death, which we more fortunate ones can and do prevent in the case of those we care for, quite as a matter of course, quite as a matter of necessity.

What, then, of the cost ? What do all these needs represent

in terms of weekly income? This interpretation of the standard in plain terms of pounds, shillings, and pence has to be made, I know; there is no other way of making it really definite,—and at the same time leaving its content fluid enough to allow all kinds of variety of choice. For it is part of my contention that every individual or family must work out the details of satisfaction—the kinds and qualities of “goods” needed—for himself or for herself; in a true sense, therefore, there must be many standards of the good life, not one alone. But there must be one plain standard of quantity of material in general, in order that a real, progressive diversity of quality may be possible. What then is this quantity? Most fortunately, I am not called upon to decide. If I make an estimate it is very likely that many good people will call it preposterous, impossible. But that is not the point. You have asked me to outline a standard which we can *all* consider satisfactory; and nothing less will do. If it means a minimum wage of £3 a week, that will not move me in the least. I can only say—“Very well: to-morrow then, if not to-day. But some time—soon—if progress is to be real.” You may say I am unpractical: that, I admit, would be a serious accusation. But I deny it. I pin my faith to an ideal as the most practical working force in the world; and I think we ought to know by this time that there is nothing so effective in social life as a really high standard.

Finally, I must take up the difficult task of justifying this setting up of an established standard in the light of a true idealism. I referred at the outset to two questions: Why do we insist that the standard shall be universal and assured? and—How is the standard of living related to the spiritual values of life? These are not really separate questions; we may deal with them together.

You will notice that, however much we may agree about the essentials of a good life, the standard we set up is always an unstable one. It is thus in perpetual antagonism to the ideal standard of a good life which we wish to take as our test. We translate the spiritual standard of the good life into the coarse language of material satisfactions. Clearly there

is no resting-place here. satisfactions are relative to wants ; and wants are just as infinite as imagination enables them to be, and as economic possibilities allow them to be. Insatiable desire, with its unlimited refinements and elaborations, leads us along an endless road, on which the only halting-places are those imposed, stage by stage, by the crude limitations of material resources. And further, the supposed reference to spiritual values becomes rather a mockery when our standard of the good life is paraded in terms of cakes and ale. Yet we insist upon this economic presentation. Without it, we flounder back into the vagueness of well-meaning people who will not say clearly what it is they mean well.

Now we must admit to the full this relativity of the economic expression of *any* standard of living. Necessary quantities will never be fixed ; society is not going to transcend its insatiability : a progressive humanity does away with "having too little" only to find itself left with "wanting too much." But our escape from the inherent difficulty lies in the fact that it is not the economic externals, or the satisfactions derived from them, upon which we lay the emphasis, but upon the opportunities to which they open the door. We are not thinking of the glories of a fully-fed, fully amused, or fully satisfied society of healthy and efficient blobs of human matter. We are thinking all the time of what men and women made in God's image have it in them to be and become when they have, within the reach of reasonable effort, food enough, home-room enough, leisure enough, security enough, to enable them to lift their vision to a new horizon—a thing they cannot do, so long as, in spite of reasonable effort, they are still tied down by the weights, not of care exactly, but of constant *fear* about their primitive needs, and of the pre-occupation with the uncertainties of the future which, more than want, involves sordidness of life. That is why we hold up before us, as our universal type, the citizen who shall know that, not for the asking but for the earning, there is within his reach a sure supply of these economic necessities, which, in his day and generation, are thought adequate for a wholesome life.

In this view, the only relativity of importance is that of

the good life itself—of the life which can or should be lived by good citizens to whom opportunity is secured. But this good life—never, of course, defined for social human beings—is relative, not to any insatiable desires or changing limitations of satisfaction, but to the moving ideal of human activity. And this is a relativity which is of the essence of human progress. We do not know what good citizens are going to do or be ; nor do they. We all have to work this out, by action.

Observe here a deeper reason for the universality of the standard we set up. In this march of human progress, society, we believe, must be one—a real brotherhood, a real unity. Then the standard we set up cannot be a standard set up by one class for the benefit of another class. It must be the satisfactory standard for all. I expect some people will tell me that it is rather absurd to advocate a high standard of income for all wage-earners, when, as it now is, they are able to squander some six shillings a week per family upon drink. But I am conscious of a much greater absurdity if we very comfortable people solemnly discuss a *possible* standard of living for the normal hand-working members of our community, when most of us, as a class, are habitually living on the assumption that the absolutely necessary standard, for us, is twenty, thirty, or fifty times as high (in economic measure) as the one whose possibilities we are discussing, and when the use of that standard involves a real waste very far exceeding six shillings a week. Perhaps I shall be accused here, in company with many of my betters, of arousing class antagonism. I think the accusation is generally misdirected. In so far as class antagonism is a reality, one hardly needs to look for injudicious individuals as its originators. They at least do not create the cause which gives to the antagonism its validity. For the economic class gulfs are simply stupendous. We do not realise what it means when the well-to-do classes of a community *need* to spend, not twice or thrice or four times as much as the hard-working classes, upon the upkeep of their standard, but thirty or forty times as much every week of every year. *There* lies your basis of class antagonism, class-friction. And note how this must militate



against any feeling of brotherhood or unity. As a schoolboy, I could understand my school-fellows having twice as much pocket-money as I; I could understand my college friends having an allowance twice or three times as large as mine; but if it had been forty times as large, I do not think they could have been my friends; they would have belonged to another sphere. And all through life, this real gulf between the supposed absolutely necessary standard of life for one section, and the supposed adequate standard for another section, is the arch-foe of social unity, the permanent cause of discord and disunity. And we who believe in the unity and a possible brotherhood are bound to point it out.

But I do not wish to press any moral here. We normal illogical people will go on for some time—compromising. So be it. But here we face the ideal boldly, in the faith that only by looking at it can we begin to move towards it. And the ideal is that of a society in which a single, universalised standard of the requisites of a good life is accepted as a matter of course—your standard, my standard, everyone's standard.

There is a further point to be noted here. Unless we insist upon the universality of our standard, and its relation to the necessary unity of a society which is to be something more than a mass of competing self-seekers, our ideal becomes really valueless. It degenerates at once into one more piece of ingenious mechanism, one more dodge to improve the condition of a neglected section, one more device to wipe out a symptom of unbrotherly disunity, without attempting to touch the cause. But that is not what we are after. We are out for unity; not any sort of sectionalised philanthropy.

But we have not yet reached the real difficulty. We are still far away from the spiritual values to which we want to relate our social ideal. All that our standard conditions can do, even when universalised, is to bring the good citizen to the gateway of the path, and no further. We, who have our idea of what the path of the absolutely good life is, know that we are rather inconsistent in dwelling with so much earnestness upon the needs of the lower road. For the spiritual life has no sort of dependence upon any standard of living, even when

interpreted as a standard of opportunity to live well. Its very condition is absolute independence of all standards: no man or woman has found it until he can say, with St. Paul, that he has learned, in whatsoever state he may be in, therein to find his kingdom. It needs no setting, whether of material or of æsthetic or of cultural goods. Its standard is anything or nothing—the tub of a Diogenes, or the chains of an Epictetus, or the poverty of a St. Francis. We know, therefore, that anyone can have life, and have it abundantly, in a desert or in a dungeon. Why, then, take so much thought about the conditions of the food and the raiment, for ourselves, *or* for others?

The contradiction is easily resolved. To the question—Why should we trouble about these things for ourselves?—there is indeed no answer. To the question—Why should we trouble about them for others?—the answer is easy enough. In our human brotherhood, each normal member grows, and can grow, to something more than the merely human, only by learning to handle well the stuff of normal, human life. Each must have satisfactions upon which desire can be schooled; each must have full opportunities for the testing of choice and will. Those of us who have had our full range of satisfaction and opportunities are, in a real sense, the elder brothers, who ought to have reached the turn in the road from which the path to good leads away from desire and its satisfaction, away from wants and necessary standards of equipment and condition. But just in proportion as we realise where we stand, so do we also realise that it is our plain duty, as elder brothers, to secure for all others those very opportunities which we have had and which we *ought* to have outgrown; to secure, for all, the certainty of a full scale of satisfactions in return for reasonable effort—even though we know that the absolute spiritual good needs no such certainty and no such satisfactions—for those who have once found it. But for the children of this world, these things are the stepping-stones to good; and for the elder brothers of this world the care of the younger is—because we are brothers—the one and only way in which we can quite certainly realise the good, and prove its worth.

to us. On those two facts we take our stand. If we are inconsistent, we shall be proud of the inconsistency. And we shall refuse to be moved by any insidious argument (however valid its basis may be) to the effect that, as loaves and fishes are not necessary to the spiritual life, therefore we must not make too much of them. We *will* make much of them—until the multitude has got enough. The task of supplying them to others is a necessary part of *our* progress towards the good life, however we look at it ; and the actual supply of them to all is equally necessary as the normal condition of the attainment of the good life by any.

## THE INDUSTRIAL UNREST: ITS CAUSES AND CHARACTERISTICS

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THE subject which I have to bring before you is that of the causes and characteristics of the Industrial Unrest in recent years. We think it is well to begin our consideration of the standard of wages and life and the possibility of securing such a standard by looking carefully, first of all, at the circumstances under which we are considering this. In these last three or four years we have had a very rude awakening. We have been confronted with social disturbances of a very great and serious nature. This unrest has compelled society to consider the situation, not merely in the abstract but as an acute and actual problem; we cannot, as wise or sensible people, be content to look forward to a continuation of this unrest and to leave the matter to solve itself. If we do this we may find that our society is resting on a far more precarious basis than we imagine. What I have to say to you to-day is mainly an examination of the history of recent years and of the present moment. It is not my business to-day to suggest what are the true methods for achieving the standard of life and wages; we are going to consider that afterwards. This morning I have to deal with the characteristics of our condition; and to ask you to consider the causes.

We must consider these if we are going to deal with the matter at all. It is idle to proceed to any kind of treatment of social disease or trouble till we make ourselves clear as to the causes and the characteristics of that disease.

I need hardly say here that we cannot dismiss the industrial troubles of these years as though they arose from the mere greed, the mere foolish greed, of the wage-earning classes,

Our brothers and sisters of the wage-earning classes have their characteristic defects and vices, just as we have. But whatever their defects and vices may be, it is not in them that you will find the real causes of the situation. On the contrary it would be truer to say that part of the present unrest arises out of their characteristic virtues. It is not due to men's greed, but to a growing sense of the meaning and significance of human life.

Let me first say a few words about the general causes of the social unrest of the past century. The industrial labour movement, which in England finds its characteristic expression in the Trade Unions, expresses itself in other countries in what is known as the Socialist movement. That movement represents in general terms the revolt of the wage-earning classes against the conditions and circumstances which belong to our modern industrial system. These Socialist and Trade Union movements are really the form of a revolt against the whole structure of industrial society as it arose out of the industrial revolution of a hundred years ago.

What is the fundamental nature of this revolt? I think that the best explanation of this is found in some notable words of Adam Smith, written when the present system was beginning to make itself clear, but before our modern industrial system had reached anything like its full development. Adam Smith's observation is summed up in one phrase: "What are the common wages of labour, depends everywhere upon the contract usually made between those two parties (*i.e.* workmen and masters) whose interests are by no means the same."<sup>1</sup>

Now I do not say this is wholly true. It is a partial statement; but it is in a very large measure true, and it is to such an extent true that this fact lies behind the great industrial agitations of the century. The statement of Adam Smith, that wages are the result of a contract or bargain between two parties whose interests are divergent, corresponds with a very large part of our actual experience. This is the truth that lies behind the famous socialist phrase, "the class war." The idea of the class war was not the invention of Karl Marx. If

<sup>1</sup> Adam Smith, "Wealth of Nations," i. 8.

it was invented by anybody it was invented by Adam Smith, because, strictly speaking, it is nothing else than the idea that society is dominated by divergent and not by harmonious interests. This again is the principle that lies behind the great concrete facts of Trade Unions and Employers' organisations. These are concrete practical things: they exist because men are driven to assert what they think are their rights and to defend themselves against aggressions. It is no use, in face of the Trade Union movement and the existence of Associations of employers, to dispute the fact that society is controlled, at least in part, by the collision of divergent interests. The Employers' Unions and the Trade Unions represent the fact that the employer and the wage-earner are each stirring to protect themselves against the other section of the industrial community. It is also the force of these supposed divergent interests which lies behind the facts of underpayment and sweating. These are due mainly to the fact that the employing class does not necessarily recognise that it is to its interest to pay wages which would provide a reasonable standard of life. Here is the first and most general cause of the industrial unrest.

The immediate cause is to be found, primarily at any rate, in the low rates of wages still common in a large part of the field of industry. I do not think I need take up your time with recapitulating facts and figures which you already know. But as a reminder, let me put before you briefly some facts as to the prevalence of very low rates of wages.

In consequence of the recent census of wages we are now in a position to say more or less what are the rates of wages in a certain number of the great industries of the country. The census has brought out the fact that in a group of great industries there were on the estimate of the Board of Trade 10.4 per cent. of the male adult wage-earners who were earning less than 20s. a week. On other calculations there are probably some 32 per cent. of the male adult wage-earners who are earning less than 25s. a week. These wages are not wages which provide a reasonable standard of life, and such wages bear peculiarly hardly on the women. I have no doubt that there are strange

and wonderful women who can maintain a family in extraordinary comfort upon these wages. How they do it, I don't know. There are women who have a genius for housekeeping, but you cannot organise the world on the basis of genius. To ask the ordinary woman to keep house on 20s. a week is to ask a woman to do what cannot be done. This is what we are beginning to realise. The wage-earning classes have begun to realise that these conditions are really intolerable. They have discovered that for a normal family the margin of life even upon 25s. a week is narrow, the difficulties of life are enormous, and they are in revolt.

Now we come to the special causes of unrest in the last few years. Wages had been steadily rising for half a century : suddenly they became stationary and even began to fall. From 1850 to 1875 prices and wages were rising very nearly together. From 1875 to about 1900, wages were rising and prices were falling. But from 1900 to 1911 prices have risen and wages have been stationary. The money wage has remained about the same, but the cost of living has risen. That is, the real wage has fallen. This is without doubt an immediate cause of the industrial unrest. If you examine the history of social upheavals you will find that these came not so much because there was great misery but because progress was arrested and stopped, because men felt themselves thrown back. This is indeed a dangerous state of society. Men in abject misery and poverty very rarely revolt, but a man who has achieved something and feels himself in danger of losing it—he is the man who rises. The unrest to-day is the counterpart of the revolutionary movements of the past.

There is yet another cause of the unrest ; it is just in these last ten years that we have begun to feel the natural effects of our educational system. We have been training our people in better ideas of life. The great system of our national education has many defects—any fool can see them—but this system has been an enormous power for creating new ideals among our people. They are not what they were forty years ago. They demand far more. They are asking for more, and by some means or another they will obtain it. Our business is

to consider how we can co-operate in a peaceable and orderly fashion in satisfying these new desires, these new ideals.

Let me now draw your attention to some of the characteristics of the industrial movement of the last years. You will remember the great transport strike of 1911 and the coal strike of 1912; we are faced with industrial troubles to-day which may prove as serious as either of these two: and behind this there is at last a movement among the agricultural labourers. These great strikes have affected people very differently, but I think that they have taught us all, more or less, something of the structure of our society, and have compelled us to nise as fact something which many had refused to acknowledge. The great fact that we have discovered is that solidarity of society which Christian people have always been preaching in principle. When the Christian Churches have explained to people that they are members of one body, we have been often met by the rather contemptuous reply, "What has that to do with facts?" Now we have discovered that this solidarity of society is a fact and not a mere theory. The conditions attending these great strikes have convinced us in a way which many of us resented that we do all live together. In 1911 we did not at first think much of the troubles in the transport trade. If we were sympathetic we spoke kindly: if we were not, we spoke contemptuously. Suddenly we woke up to the fact that the world threatened to stand still: that all the machinery of life by which our common necessities are met was in danger of standing still. Great cities were threatened with want because the transport workers were going on strike as a whole. People discovered that in this great transport strike they were dealing with conditions which had a necessary and inevitable reaction on the whole of society. Then in the course of the following year there came the great coal strike. We remember that the industry of the country was threatened with paralysis, and again, when we discovered that our trade would have been paralysed if the strike had continued a few weeks longer, we discovered that we were all one body. It is indeed a fact that we are all dependent on each other, Formerly the fact was obscured



because strikes were sporadic, they affected individual people but not the whole society. The strikes of the last few years have brought the truth of our mutual dependence upon each other home to us.

These are some of the characteristics of the movement with which we have found ourselves face to face—conditions of life which are obvious and clear to everybody now, for we have realised them as we never realised them before. This is why the Government was compelled to interfere both in the railway and coal miners' strikes, and to create a legal sanction for the standard rate of miners' wages. Such a thing had never been done before. Twenty years ago when you talked of legal wages people laughed; four years ago they said, "Perhaps, for the sake of poorly paid women, we will stretch a point"—but now we have seen the whole country plunging into interference, not because it had arrived at a theoretical judgment that this was right, but because we found we all hung together, and that there was no other way out of our difficulties.

The wage-earning population is in revolt; and, do not let us make any mistake, the industrial unrest is not over. It has hardly begun, the unsettlement is universal. If there is any town which is fast asleep it is my own town of Oxford. I do not mean the University; the University is uneasy, at least it turns in its sleep, the city feels no sense of unrest. But even in Oxford fifty poor fellows on the tramways went out on strike. People did their best for them, for almost everyone in the city was on their side. The Bishop of the Diocese, Dr Gore, the Mayor of the city, most of the ministers of religion and a number of members of the University, personally or by letter, approached the directors of the Tramway Company. This did not, however, change their attitude, and they refused to move. I do not think that the unrest among the Oxford workmen is ended, for a great part of the labour in the city and county of Oxford is shamefully underpaid. I think it is quite certain that we are only at the beginning of the unrest. Do you desire in your conscience that the unrest should cease? We want these conditions remedied, and if we can have it in no other way, we shall have it by unrest. But I think there

is a better way. The wage-earning population is in revolt, the class war is a reality. Happily in this country it is still true that whatever our disputes may be there has always remained a great deal of personal kindliness and friendship between the employing and the wage-earning classes. So far as I can make out, the great mass of the employers will growl and grumble, but they are decent people at bottom. It is strange to see with what a happy inconsistency the very men who hold out against the wage-earners' demands will help the funds for the women and children. We are not disposed to fly at each other's throats. But this real kindness must not be exposed to too great a strain. If we allow this conflict of class interests to continue among us, the results can only be disastrous. Here the practical man and the religious man must agree. You cannot base society upon a system of mere force. If there is one lesson history has to teach, it is this: that no society can exist, can continue to exist, which is lacking in the principles of justice, or even in face of a sense of injustice.

In the meanwhile the question whether we can do anything to secure the standard is unanswered. I have pointed out some causes of our present troubles. There are many other causes which would take too long to enumerate. I do not think I am at all unobservant of human defects in master or wage-earners, and the difficulties must be met in many ways. But it is clear that our present disturbances are primarily due to the fact that we have not a reasonable standard of wages and life among us. And it is the part of men and women who are governed by the Christian spirit to consider how far it is possible to establish and maintain some reasonable standard of life.

## THE RIGHT TO A LIVING WAGE

PROFESSOR L. T. HOBHOUSE

It has been my business for some months past to compare the institutions of a great number of peoples whom we are accustomed to call savages and barbarians, that is to say, peoples of very primitive culture. One would not expect to derive from the study of such peoples any hints for the organisation of our own economic life. We are accustomed to think of civilised institutions as of necessity superior to those of savagery. And yet, on the economic side, there are some points on which the civilised man has to confess with a certain sense of humiliation that primitive organisation seems to have advantages over that of the highest culture.

The savage lives a hard life, he wins but little from nature ; but what little he has he is willing to share in common with his friends and his kindred, and even with the whole community. We do not hear in the savage world of one man having plenty while another is starving. What is still more to our present purpose we do not hear of men debarred from applying their labour for the sustenance of themselves and their belongings by the institutions of society. In the great majority of cases both among hunting tribes and those who practise a primitive agriculture the use of the land is free to all, and ownership does not extend beyond the needs of occupation and labour. There is general poverty, it is true, but what little there is is available for all members of the community. It is only as man becomes more civilised that those contrasts arise which have reached their culmination in our own time when the spectacle of excessive luxury rubbing shoulders with rags and destitution is so common that people begin to think it a part of the order of nature. The poverty of the modern

world does not arise from the niggardliness of nature nor from the incapacity of man to control physical forces. There are those who think that it is based on the fundamental inequality of human nature and that this inequality is only accentuated by civilisation. If that were so, the prospect of the future of society would be a sorry one. It is at least worth while to make the experiment of re-organising social institutions in a manner more in accordance with our ideas of justice and humanity. If the experiment fails it will at least be something to the credit of our civilisation that we have made it. A society in which a large proportion of honest and industrious workers are unable to secure continuous employment at a wage which will maintain a family in a condition compatible with the requirements of physical health is fundamentally an ill-organised society ; it has failed to secure a primary condition of healthy social life, and a society which sits down passively under such conditions and lets them alone is not only an ill-organised society but one which has lost faith in itself or is dead to its responsibilities. Hence it is that the problem of the living wage lies at the foundation of social life.

The bare notion of the living wage is not in any sense a novel conception. No mediæval writer, for example, would have doubted that just as everything commanded a certain fair price so labour commanded a fair wage, and had such a writer been asked for his standard of what was fair he would have a simple answer to give—he would have pointed to the custom that ruled the trade. A customary price was known to everyone, it changed but little from generation to generation ; and what was customary was reasonable, to give more was excessive, to pay less was mean and dishonest. Where money wages obtained at all there was a customary wage for workers, and this customary wage matched standards in living which were no less traditional. These standards of living were probably not ours, nor is it likely that anyone could have worked out the equation between rates of paying and cost of living as modern sociologists have attempted to do. But the general idea that there would be a certain wage which was fair would have seemed axiomatic to any thinker before the modern

period. This simple economic view was the reflection, as theories almost always are a reflection, of certain facts. The fact in this case was that things were produced by known processes at a tolerably constant expense. When the industrial revolution began and old processes suffered a change the old article (or something very like it) could be produced by new methods at far lower cost; the old industrial habits were broken up. Acquired skill in handicraft became worthless, new forms of skill and endurance were in demand. The texture of custom was rent in pieces. Under these circumstances when producers were found appealing for a fair price they were generally opposing some new method which, by introducing cheapness and efficiency, seemed to be on the whole favourable to the public interest. Hence the demand of men of progress was for free competition. The conception of economic justice gave way to a conception of exchange value. In a world so shifting what after all could be the definition of a fair price except that which you could actually get in the market, and if prices came down under the pressure of competition what was to become of wages? If work that had been done by skilled handicraftsmen could be carried on more efficiently by machine labour, who was to say that such work should not be done? And if the machines could be minded by unskilled hands, on what principle was it to be maintained that the unskilled labourer should be paid on the old standard of the handicraftsman? Just as there was no fair price but that which you could get in the open market, so it seemed there was no fair wage but that which fixed itself in the process of haggling between employer and employed.

The competitive system, however, appealed by implication to a certain test. It justified itself by the benefits which it was to bring to the consumer, and the consumer constituted a kind of Court of Appeal because he represented the general public. Of this general public, however, the working classes always constituted from three-fourths to four-fifths, and therefore if we would look to the working of competition in the long run we must consider its effect on the general well-being of the working classes. As to this effect, we have the experience of a century

or two to guide us, and we know the result. One feature of that result alone need concern us for the present. We know that a considerable proportion of the working class is unable to earn enough to keep a normal family in bare physical health, leaving no margin whatever for the chances of life, for the little luxuries or comforts which may be reasonably demanded in a very wealthy civilisation, with little leisure, and with little means of employing it suitably even if they had it. Leaving all such margins out of account and considering mere physical efficiency, you know that Mr. Seebohm Rowntree's estimate is that a bare minimum wage will be not less than 18s. 6d. for a family of father, mother, and three children, plus house rent. That is to say, it would ordinarily be from 22s. to 24s. Now a large proportion of the population—perhaps as much as 30 per cent.—fail to reach even this standard. But if we go on to take account of the margins, we can hardly add less than 5s. a week and perhaps we should add 10s. Make the addition, and it becomes clear that if we are thinking of a wage which would actually meet the requirements of life in the way in which we would all agree they ought to be met, it would be a wage which is not earned by any of the unskilled labouring class at all. It is out of the reach of that great section of the people.

Without attempting to go further into details for the moment we may take it as fairly certain that judged by the test of the general diffusion of well-being, the competitive system has failed. It does not secure the material means of health and efficiency for a portion of the population which I will not now endeavour to estimate, but which is undoubtedly large. The question which we are discussing here, then, has taken shape in its modern form owing to failure of competition to fill the vacuum left by the breakdown of the older ideas of a simpler economics.

So far the origin of the question. Let us now seek to analyse the question itself and consider what the problem really is. Our Chairman remarked that he is less concerned with the right to the living wage than with the duty of society to secure it. I fully sympathise with him in his insistence on that duty,

yet I think there is also some point in emphasising the word "right." Where there is a duty I would suggest there is always a correlative right, and where there is a right there is a correlative duty. So far it would not seem to matter whether one looked at the question from the one side or the other, but it is, I think, important to make clear that the living wage is not a matter of philanthropic consideration but of justice—that is to say, it is something that is, or ought to be, regarded as an inherent feature of the social system just as a man's right to his life or his person is a necessary feature of a social order. You are bound to refrain from shooting at me here, not out of consideration for me as one who is feebly trying to do his best, but simply because I am a fellow-being. Your duty to respect my life is the other side of my right to my life. Nor do you show mercy or consideration in sparing me although I may rouse your resentment. You are merely regarding a right which I am free to claim and which the law recognises and helps me to enforce. When we speak of the right to a living wage, in the same way we mean that it is not something which individual employers should grant out of consideration, generosity or mercy, it is something which morality and law should guarantee as a right which work can claim. Are we then justified in maintaining that a living wage is something to which a man is entitled simply because he is a working member of the community? Upon what principle can such a right be based? If we maintain that every man and woman has a general right of opportunity to such exercise of his or her faculties and powers as will secure for him continual maintenance in a state of health and efficiency, on what does this claim rest? Let us observe first that it postulates a certain amount of common responsibility. The individualist might say that it is not the business of a community to secure so much for its citizens. A fair field and no favour is what he would claim. Now there is perhaps more involved in the notion of a fair field than has sometimes been understood, but let that pass for a moment. Given a fair field, some would say that there the business of society ends. But I would traverse that position on general ethical grounds. The re-

sponsibility of each individual member of society is to the common good, and whatever rights and duties society recognises, all are bounded by the same common good. On the system of the common good all our economic institutions, ethically speaking, repose. So far as there are any rights of property they are rights because they contribute to a common welfare, and so far as they, in any way, conflict with the common welfare, they cease to be rights. Our entire system, therefore, with its private ownership of land, right of inheritance and bequest, its laws of property and police, is, I should say, constantly up for judgment before the standard of a common welfare, and wherever it is found working inharmoniously it requires amendment. The whole body of institutions which the individualist economics take for granted, has no inherent sanctity. Neither property nor contract have any inherent sanctity other than their necessity to the working of a system by which, upon the whole, the welfare of the community is maintained or furthered. So much therefore for my first position. We cannot wash our hands of the consequences of the institutions which we maintain. We are collectively responsible for the effect of this system on all the members of the common body. We have constantly to see that the fabric of the industrial system is fulfilling the purposes which alone justifies its existence.

Now what is the purpose of the economic system? This is a very large question, but I think we may lay down one or two points which will help us. In the first place, it is a very obvious point—though one which the pure economist is too apt to ignore—that the first business of a sound economic system is to secure work that is good and useful to society, not work that is pretentious or bad. The man who is doing good work, whether he is producing food which will nourish and not poison, or a newspaper which will tell the truth and not distort it, is performing one of the thousand functions necessary to the life of society. His work entails a certain output of energy and a certain wear and tear of tissue. What he may rightfully demand of society in return is the stimulus which encourages him to go on, and the maintenance which



replaces the cost of his effort. The work entails a certain cost to the individual, and it is the business of the society which he serves to make good that cost. Society, we may put it, requires the performance of various functions to maintain its well-being, and the business of its economic system is to secure the adequate stimulation and maintenance of those functions. To each man and to each class that is justly due which serves to maintain them in the adequate exercise of the function which it is theirs to fulfil in the social life. That is the just reward for any kind of service which society requires, which will, on the whole and in the long run, suffice to call forth and maintain that sort of service.

In a well ordered society then, and that would mean a society based upon principles of justice, every part would be performing its function and every function would be adequately maintained. Thus the individual worker who is contributing his output of energy would get in return that material sustenance which repairs his waste of tissue, prepares him for work anew, keeps him in health during maturity, and provides for the decline of his years. If he is getting less than this he is living on his vital capacity, society is his debtor, and if the debt is not liquidated it is in the end a bad business for society as well as for him. If, on the other hand, he is getting more, the matter is not so simple. If there is a surplus common to society as a whole in which he can share as a member, it is so much to the good. But if what he gets in excess means so much taken from someone else who before had no more than enough, then there is disorganisation and injustice. Now, we are not here concerned with those who get more than enough, we are not, therefore, bound to enter into all the difficult questions that arise as to justice in remuneration. We are not bound here to ask whether ideally rates of remuneration should be equal or if not on what principles we should determine the different remuneration of different functions. We are concerned only with the minimum. We are dealing with something common to all work and all workers. The least that anyone who gives effective work to the service of society may rightly demand in return, is so much as will maintain

him as a member and servant of society. For this, observe, it is not enough that he should be a healthy animal. While a worker, he is also a citizen, and as such ought to take his part, not only in the individual but in the higher interests of the society to which he belongs. As this is his duty, so the conditions of work and wages which enable him to perform it are his rights. These constitute the minimum which it is the duty of society to secure for all that are performing services which it requires. It is equally the duty of the individual to render adequate service in return,<sup>1</sup> and there is accordingly just that reciprocal relation which is the essence of economic justice. There is a function performed and a correlative right to the conditions which conduce to its performance. So far as these conditions are expressed in money, they constitute what is called the living wage. I conclude then that the general right to the minimum wage follows from the broad principle of economic justice, which assigns to every social function its adequate maintenance and support.

But how are we to determine the living wage? All this, it may be said, is fair enough in the abstract, but what is its practical application. It is useless to lay down a rate which we cannot enforce. What do we suppose the minimum wage to be, and how are we going to show that it can actually be ensured for all classes? Let us first be clear on one important principle. The living wage of the adult male worker does not mean merely so much as will keep him in health, it means so much as will, upon the whole, maintain the population from which he is recruited. It is not merely the labourer, it is the labouring function which, in accordance with our definition, society has to maintain. The living wage, therefore, must

<sup>1</sup> What society owes to those who will not, and those who cannot, make such a return, is a question which cannot be discussed within my present limits; but it is undoubtedly part of the principle here laid down that the rights of citizenship are conditioned by the fulfilment of responsibilities. On the question whether we may, in fact, expect the normal man to "earn" his living wage—that is, to repay the cost of maintenance by work of proportionate value—a few words are said lower down.

be based not on the needs of one worker but on those of the family, and as it takes a father, mother, and upon the average, three children, to maintain the population and provide for normal and healthy growth, that is as much as to say that the requirements of a family of five are the measure of the needs of the adult male worker. This brings us to a controversial point. My contention is that the family wage must be provided by the pay of the husband and father. This is not to say that any restriction whatever should be put on the work of the married woman, or any other woman. If it suits the requirements of the family that the mother should go out to work that is a matter for the father and mother between them, but let it not be forgotten that this course is going either to cost money or something more valuable than money. There is either to be a deduction from the wages of the family to provide for the care of the children, or there is going to be neglect of these children. The work of the mother in the home is an economic factor of the first importance, but the work of the woman outside the home ought not to be a necessity to the family economy. If the woman is to have perfect freedom in this matter, so also the family economy should be free from the necessity of sending the woman out into the world. It should be a matter of choice. If the family deems it well that father and mother should both work in the market it is going to lose something and gain something—that is its business. Personally, I should rather it was not my children whose mother went out to work, but I should not seek to coerce other people. I should only seek to provide for all normal families the conditions which would relieve the mother of any such necessity. But if this provision is to be made the wages of an adult male must be determined by their sufficiency to support the family. This need not apply to the youth who is below the age of marriage nor to the elderly man whose powers are failing and whose children are grown up, but it would apply to the normal adult man in the period of his full power.<sup>1</sup> There

<sup>1</sup> It was suggested by some critics that the principle of adequate maintenance of social functions pointed to what is called the endowment of motherhood. On this view the man would secure

follows a still more difficult practical question—if we determine a man's wage on the basis of family needs how are we to determine the minimum wage of a woman? I cannot here discuss the question fully nor, I confess, do I see any perfectly clear principle to guide our decision, but I think we can find a practical, if not strictly theoretical, solution. In the first place, there are two views which I think must be dismissed. We must dismiss the view that a woman works for herself alone. A large proportion of women who are compelled to seek employment have others dependent upon them. But we must also dismiss the view that a woman's wage must be legally fixed at the same rate as a man's in every circumstance. It is true that given equality of work, neither sex, nor colour, nor beauty, nor ugliness, nor youth, nor age, are relevant to fair remuneration, but this is not quite the point. If we are laying down the minimum under which no one can be employed, we have to rely upon the free-will of employers who will consent to take workers on under these conditions. Therefore, if we fix a rate for all people alike, certain individuals will be preferred by employers to others. Now, if the majority of men are, in fact, capable of an output worth 25s. a week, and if the

only so much as is necessary for his own support, while the mother and wife should have direct State alimony for herself and her children. This principle would have the effect of reducing the minimum male wage to something lower than the present rate, even for unskilled labour. It would take from the man the responsibility of providing for his wife and children, and it would necessarily place the wife's expenditure under the direct control of State inspection. It would make maternity a State function instead of a family function. Those who have thought out all the implications of this principle, and are prepared to face them, will stand by the endowment of motherhood. Those who wish to preserve the family as a unit, directing its own life within the necessary limits of social order, will agree that the minimum rate of remuneration for the adult male must be determined by the needs of the normal family. At the same time, if the man obtains a wage fixed by family needs, it is reasonable that the wife and children should have a direct claim on his earnings in place of the inadequate methods of forcing maintenance which now obtain.

majority of women in any given industry are not capable of so much, the result of fixing 25s. as a minimum wage will be to exclude the women. Some might rejoice at that result, but those of us who take the view that women should be free to enter industry could not accept an indirect method of exclusion. Others again may urge that given fair opportunity women could, in fact, earn as much as men. It may be so, we should keep an open mind on the subject. But this position is not yet proved, and it would be assuming a great deal to lay down, upon this ground, that the minimum for women can be safely fixed at the same point as for men. I do not think, therefore, that we can be guided by either of these extreme principles, but I think the practical solution may be found in the form which legislation is likely to take upon the subject of the minimum wage. I presume that we shall proceed by an extension of Wages' Boards; these Boards are already working well in certain industries, and the actual method by which we shall achieve the living wage will be by the extension of Wage Boards and by the instructions which will be given with regard to certain principles. I think one of those instructions should be that they should fix the wages of adult male workers on the basis which we have laid down, and that they should fix the wages of all other workers, youths, old men, and women at such a point as will not result in a preference either to an adult male against the rest or for the rest against an adult male. The object should be to leave matters equal as between men and women, young and old.

Lastly, there remains a doubt upon which a word must be said. The sceptic may maintain that we are going to pay people more than they can gain in the open market and therefore more than they are worth, and he may say that in so proposing we are violating our own principle which undoubtedly implies that a man should pay back to society the cost of his maintenance. But I do not think we should be guided too much by our experience of the labour market. The labour market is a place where people with property bargain with people without property, and I do not take the result of that bargain as a measure of what working people are worth, or can be made

capable of, under fairer conditions. I would admit that there is, in all probability, some part of the population which will not make the response required ; there will be a few who will not be worth 25s. or even 25d. a week. There will be a fringe upon the labouring class which will not be worth the whole of the minimum wage which we seek to secure for that class. It will be said then, you are really after all instituting a measure of charity and not justice. I should reply that we cannot tell until we have experience to guide us. If there are forty per cent., thirty per cent., or even twenty per cent., whom no improvement will bring up to that standard of labour which will repay the amount of the minimum wage, then this experiment is doomed to failure. I do not think there will be any such proportion, and my belief is founded upon general knowledge of the working classes and the social system. I see the wage-earning classes living, upon the whole, a decent and steady life under circumstances under which, I feel I myself and those I know best, would have the greatest difficulty in living such a life. So I give them best, I respect them. I see them turning out a vast quantity of good work, and I see that largely through their skill and industry this country is maintaining its position at the head of the commercial nations of the world. I believe, therefore, that the great bulk of the working classes will respond to the fairer conditions which I advocate for them with the work which would justify these conditions. As to those who fail we shall be in a better position to deal with them when we are quite sure that the fault is theirs.

I will admit that there is an element of experiment in the proposal which I have put before you, but I would say that the society which shall make this experiment and shall endeavour honestly to secure for the whole of its population the means of civic life, has justified itself. If it fails it can still go before the judgment bar of history and say that it is through no fault of its own that it has failed. It has done the ethically right so far as it was sociologically possible. But, for my part, I do not for a moment believe that we shall fail : I feel confident that we shall have a great and lasting success. Taking our social order as it is we cannot resist the judgment

that it is upon the whole a bad social order. If we can introduce this change it would still be far from perfect, but it would have crossed the borderline from bad to good. It would have secured the elementary conditions of a life worthy of civilised beings, as the equal heritage of the least of its members.

## THE DISTINCTION BETWEEN EARNINGS AND INCOME, AND BETWEEN A MINIMUM WAGE AND A DECENT MAINTENANCE: A CHALLENGE

REV. PHILIP H. WICKSTEED, M.A.

WE all of us know the difference between earnings and income, and many of us have repeatedly filled up income tax returns in which we have been required to distinguish between earned and unearned income.

Let us begin, therefore, by recognising this important fact that a vast portion of the income of our country is not currently *earned* at all. It follows that if we are determined that every citizen is to have the means of a full life, we had better not begin by closing our minds against every means of securing that result except a living *wage*. There are other possible sources of income besides earnings, and many of us enjoy them. If insurmountable difficulties, or dangers that we dare not neglect, should stand in the way of the complete solution of the problem of a decent subsistence on the lines of a living *wage*, it does not follow that our aim is unrealisable. Why should not those whose earnings are insufficient for the basis of a human life have, as so many of us have at present, something more than they earn?

Further, I maintain that, as there is no reason, in abstract justice, why a man should not have more than he either does or can earn, so there is no reason why he should always have as much. It may be that he cannot earn all that he ought to have and that we must see to it that he gets more; but it may also be that he can and does earn more than he ought to have, and that we must see to it that some of it is taken from his control to be applied to more important purposes than he would be likely to put it to if left to himself.



The old age pensions on the one hand, and the tax on all earnings of £160 a year and upwards on the other, will show that both these principles are actually recognised and acted upon.

The distinction, then, which I am trying to bring into relief is a distinction between the categories of economics and social obligation. These two cannot be sharply defined, and they react upon each other at every point, but I think it is of the first importance that they should be distinguished in principle and that we should not expect from the existing machinery of the one what can only be accomplished by new machinery devised and worked by the other.

"Wages," then, I take to be a strictly economic term. "Wages" is a term relative not only to the industrial life, but to the industrial life as at present organised. When we speak of a decent "standard of life" we are speaking of a human demand. When we speak of a "wage" we are speaking of a feature of our industrial system; and when we speak of legislation that shall secure to everyone a "living wage" we are speaking of a scheme for securing to every man a decent standard of comfort by forcing his "wage" to rise up to its requirements.

My contention is, that as soon as we clearly understand this, and see what "wages" really are, we shall see that the proposed living wage is intrinsically impossible as a complete solution, and that even if legislation in the direction of raising wages should turn out to be desirable and effective on its own ground, it will still be necessary to supplement it by other instrumentalities; and further that if we attempt to make living wage legislation do what it cannot in its nature do, we shall be sure to aggravate at one end even if we partially relieve at the other the very evils we are seeking to remove.

What, then, is a wage? It is what a man receives from some one else in return for a specific service. The upward limit of a wage, therefore, is that which the man who is to pay it would rather give than forego the service. In other words, the highest wage to which a man's claim can be enforced is the amount which represents his industrial worth to someone

else. If more than that is demanded by or for a man no one will employ him, for everyone will prefer to go without his services rather than pay more for them than they are worth to him.

To enact a living wage, then, as a legal minimum, is to enact that every man's services shall be, and hereby are, worth as much in the shape of bread and cheese, clothes, houseroom, and so forth, as shall enable him to live a full human life—or if not that he shall receive no wage at all.

If it be urged that the man's claim is based not on the precise equivalence of what he puts into the general stock to what he takes out of it, but on the fact that society is an organism, that all wealth is a social product, that it is impossible on any philosophical basis to disentangle the precise addition made by each individual to the complex resultant, and that the distribution of wealth must follow social laws, I may either admit the plea in its entirety, or may demur to so sweeping a statement, or may deny it altogether; but in any case it has taken us out of the economic region in which alone "wage" is a proper term; and I must not trust the machinery of wage-earning and paying to do work on a plane which it cannot reach. I am no longer talking of making a wage adequate as a support for human life, but of supplementing its inadequacy, or superseding its action altogether, by another set of agencies and considerations belonging to another sphere.

Two conclusions must now be obvious: first, that we can neither assume nor enact an equation between what a man is industrially worth to some actual or potential employer (his wage) and what he needs in order to live a full human life (his decent maintenance), and second, that if we collectively, as a social organism, declare that every man has a right to a decent maintenance and demand that he shall have it, it is ourselves collectively against whom that right is to be asserted, and it is to ourselves that we must address the demand.

And this brings me to another distinction, corresponding to that between wages and maintenance, a distinction particularly germane to us as representing the Churches of our land. When we are shocked by the poverty and misery in the midst

of a Christian land, and we hear the Lord, saying "Whom shall I send, and who will go for us?" there is surely a very recognisable difference between answering "There is he (the employer), send him," and "Here am I (the taxpayer) send me." The first answer may be a very good one as far as it goes, but if it is to be taken as absolving us from the second it would be better given outside than inside the temple.

But here I must make a digression to meet the objection, often urged and often obscurely felt, that if there were no choice but to pay such and such a wage the employer would perforce pay it. This is not so. There is always the choice of going without the service in question; and this choice will be made if more is demanded for the service than it is worth to the employer. We middle-class people know very well what we should do if domestic servants' wages were doubled. Some of us would go without servants, and some would keep one or two instead of two or three or four; and we should modify our ways of living accordingly. This might be an excellent thing; but if it came about by law, because servants' wages were regarded as inadequate, then whatever good results might follow, it certainly would not in itself improve the position of the servants we ceased to employ; and astonished legislators would begin to see that there was something wrong in the formula, "People must have servants. They can't do without them. And if they can't get them for less than £50 a year they will have to pay it." So will it be if an attempt is made to solve the problem of poverty, in the mass, by simply decreeing that no one shall pay less than a living wage for any service he receives. Employers in the mass do not employ men for fun. They employ them because the men are as necessary to fructify their capital and directive ability, as their capital and directive ability are to fructify the labour of the men; and if the wage demanded by a man represents more than the equivalent of his fructifying effect upon the other factors of production, he will not be employed.

But to provide a firm basis for this portion of our inquiry we must drive piles into a quagmire of unsound thinking that underlies all our habitual language and feeling on economic

subjects. We doubt whether it is possible to fix on any scientific principle the relation of wages to the other categories of distribution because we see that an output of human energy is a thing totally unlike a machine or tool, for instance ; and think that, as they cannot be substituted for each other and have no resemblance to each other, they cannot be reduced to any common measure. But this is not so. Things that cannot take each other's place in bulk may nevertheless replace each other in part ; and so a precise relation of equivalence may be established between them. Meat and drink—say for simplicity bread and water—are both of them essential to life, and neither can be made the substitute in bulk for the other. But if you started with an adequate allowance of bread and an inadequate allowance of water and were then permitted to forego some of your bread and to receive additional water in lieu of it, on fixed terms (say a gill of water for two ounces of bread), you would sacrifice a little bread for a little water, thereby making your supply of bread less adequate and further sacrifices more onerous, and at the same time making your allowance of water more adequate and further acquisitions less imperative, and you would go on until you reached the point at which the sacrifice involved in a further decrement of bread would more than compensate the advantage of a further increment of water. Thus while bread and water, in bulk, cannot be substituted for each other, yet a very exact equation may be established between the significance of a small decrement or increment of one or the other, and this equation will depend upon the proportions in which you are supplied with them respectively.

In the same way we may have an organised industry to the success of which land, machinery, labour, raw material, book-keeping, and directive ability are all essential. No one of these can be a substitute for another, in bulk. But yet a skilled manager may form a very close estimate of the equivalence of increments and decrements of each of them. He may say that with such an increment of land he would be able to dispense with so much machinery in the shape of lifts, and he will carefully consider the terms on which he can obtain

the one and the other. Or he may say that if he had "a superior class of man" he could save much waste of material and wear of machinery. A superior man is to be had perhaps, but only at £2 a week. Such a man would save 10s. a week. But the kind of man at present employed is to be had at 25s. a week. The saving then would be less than the extra wage and the director will not care to pay it. The fact that the better man can actually get £2 in some other industry shows that his higher moral qualities are worth more industrially in some other occupation than in the one we are considering, so we have two sets of directors carefully equating given increments of moral qualities against given increments of raw material and establishing a more or less precise scale of equivalence between them.

I have given this last illustration by way of enforcing the fact that day by day the industrial equivalence of increments of entirely heterogeneous factors of production is being estimated, and showing how delicate may be the considerations that determine the extent of the employment of any factor or agent of production; but we shall best pursue our main inquiry by returning to the consideration of broader lines of division and reminding ourselves that since land, labour, appliances, and directive ability are all essential to the success of an industrial concern, they can none of them replace any of the others, in bulk; and yet decrements or increments of any one of them have their precise equivalents in increments or decrements of any of the others, and the common measure to which they can all be thus reduced is found in the precise effect upon the common output of the addition or withdrawal of a small portion of each one of them respectively.

This gives us a solid basis for a theory of distribution; and when applied specifically to the case of wages it shows us that in any given state of industry there is a maximum wage for every kind and grade of labour, representing exactly what an increment of it is "worth" to the concern as a whole.

Obviously, direct legislation as such, cannot raise this maximum. But it does not follow that legislation can do nothing. In the first place we can hope to make the average worker

actually worth more, intrinsically, by education and training, and in some cases by the very fact of raising his wage ; in the next place we may hope to place him where his work will count for most, by labour exchanges and so forth ; and in the third place we may hope to supplement (and also perhaps to control) the action of trade unions in seeing to it that he actually gets his maximum wage, *i.e.*, the true incremental value of his work.

It is to the last of these hopes that I desire now to direct your attention.

I have insisted that neither labour nor capital, for instance, can do without the other ; and that nevertheless there is an industrial relation between the significance of increments of the two which establishes a definite relation between them. Does that actual relation always govern the wage paid ? There are abundant theoretical considerations to show that the wage must *tend* to conform to this actually existent definite relation ; but there is no theoretical justification for laying it down as a dogma that the present industrial organisation (including the combinations of employers and employees in their respective unions) is either a perfect or the best possible means of securing the actual conformity in question.

In some cases indeed, it appears, so far as we can judge, to have reached a high efficiency. In the Cotton Trade, for instance, you may have observed that we have had very alarming announcements of the imminence of vast upheavals, and disputes of unparalleled obstinacy ; but the catastrophe has always been averted, though perhaps at the eleventh hour—or even on the stroke of twelve. The reason probably is that owing to a variety of circumstances all the representative disputants know very accurately what the conditions and prospects of the trade actually are, and therefore know to within a very close fraction, what the theoretical wage actually is. Each side may strive up to the last moment to get an advantage, but each knows that the disputable area is really very narrow and that in the last resort it is not worth fighting for either way.

Now it is very arguable that in less highly organised industries an impartial arbitrator might be able to get at the

actual conditions with greater accuracy than could be achieved by a conflict between rival organisations of employers and employed, or by unorganised competition. In such cases a wages-board might be of great service. But if it made a mistake its award would be ineffective. For though it could prevent employers from paying less than a given fixed wage it could not compel them to pay that wage to anyone they did not consider worth it. And if it sanctioned a wage so low that the employee believed he could do better in some other industry it could not compel him to accept it. In this respect wages-boards are subject to the same limitations and dangers that beset other means of settlement, and the same penalties attach to their mistakes. And in both cases the full effects of a blunder may only reveal themselves over a long period. For since capital and skill are both of them committed to the forms in which they are specialised either one may find itself in the grip of its more powerful or reckless adversary, and may be forced, for want of an immediately available alternative, to accept terms so disadvantageous as to check the flow of capital or labour into the industry and so to kill or to degrade it.

And this mention of the possibility of the degradation of labour leads to a consideration of the conditions under which both theory and experience would teach us to look most hopefully for the action of wages-boards, not indeed in securing a "living wage," but in improving the actual conditions in disorganised and degraded industries.

It is always open to argue that the mere paying of a better wage may in itself produce more efficient work, and make the wage-earner industrially "worth" his higher wage. But it is clear that this cannot be laid down as an abstract law of general application; and where we are speculating on the effect upon the second or third generation in this matter it is clear that it is the society at large and not the individual employer that ought to take the risk of the experiment. But theoretically it is quite possible, and experience seems to indicate that it is probably a fact, that there may be industries in which a careful inquiry reveals conditions, capable of immediate and

extensive modification, which furnish materials for a presumption that neglected resources are already available by which the condition of the employees might at once be improved. In such cases a wholesome shock might compel the employers, when faced with the alternative of elimination or reorganisation, to lift their industry out of the pit into which it has fallen; and an increased rate of payment might instantly produce an answering improvement in the work. These things are possible. And for these and other reasons I am very far from wishing to run a tilt against wages-boards. But even here we must remember that we are playing for life-and-death stakes, and that the risk is not our own. "It is no benefit," says Prof. Lees Smith, "to persons in an under-paid industry to turn them out of it," as we shall do if we impose upon it conditions that it will not bear.

So much, then, for attempts to rescue disorganised industries from the slough into which they have fallen, by ascertaining what wage they can really be made to bear. Let us now return in conclusion to what I understand to be the proper subject of our conference, viz., the proposal to fix a living-wage as a minimum all round, and so solve the problem of poverty at a stroke. I have tried to show that an enactment to the effect that no man shall be paid a lower wage than will suffice to support a full human life is an enactment that no man whose service is not the industrial equivalent of such a wage shall receive any employment or wage at all. The Fabian leaders themselves warn us that "unemployable" is a relative term, so that a person employable at 15s. a week may be unemployable at 20s. and add, "A minimum wage law cannot help the unemployable. On the contrary, we must frankly face the fact that it will increase their numbers at first." Even as things now are, we can hardly fail to recognise a connection between the establishment of a "standard wage" in the organised industries and the spectacle of workmen just past the prime of life buying hair-dye to conceal their age, because no one will risk employing them if a grey hair raises the suspicion that they will not *earn* the standard wage. One of our speakers at this Conference has pointed out that the



recent enactment of a minimum wage in the coal pits has produced severe tension on similar grounds. Mr Aves reported in 1908 amongst the results of the Australasian legislation that there had been "large numbers of operatives" thrown out of employment and that a number of factories had been closed.

If we fall back upon the theoretical admission generally made (though often rendered abortive in practice) that there must be some provision for allowing those who cannot earn the full wage to earn what they can, then the distinctions that I have been insisting upon all along will leap into distinctness.

For if once we frankly and ungrudgingly admit this principle of allowing a man who cannot earn the legal minimum to be paid less we shall find that we are no longer endeavouring to force an employer, as such, to pay a man a wage calculated not upon his industrial efficiency but upon his human wants (*i.e.*, to pay him *for his services* a sum determined by other considerations than what they are worth to him)—and are only trying to oil the industrial machine so as to make it do its own proper social work, *i.e.*, secure to the worker his true industrial wage. Then, when we look to it only for what it can give us, we shall at once clear our minds of confusion and bewilderment as to results, and quicken our sense of the dangers and our understanding of the real successes and failures of our experiments; and at the same time we shall realise that they must in any case leave us under the collective responsibility for seeing that when everyone has earned what he is industrially worth no one shall lack what he socially needs.

Towards the accomplishment of this latter task we have made attempts—small beginnings in every case, less than wise in the opinion of many in some cases, but genuine and profoundly significant—in the old age pensions, in the State twopence of the insurance, in free education, in the feeding of hungry school children. These are attempts to secure some of the conditions of a human life to our people which shall not be dependant on the adequacy of their earning capacity to meet their human wants. The difficulty in increasing this provision indefinitely lies not in the problem

of how to get the money but in the problem of how to spend it. There are vast revenues that are unearned. There are earnings vastly in excess of the human requirements of those to whom they accrue. We have already recognised in the cumulative income tax on the one hand and the old age pensions on the other the principle that the relatively fortunate and successful must be ready to make more generous provision for the relatively unfortunate and unsuccessful than would have been dreamt of a generation ago. Our main task now is to find out how to give effect to this new social conviction and inspiration.

The more clearly we understand what a "wage" is, the more wisely shall we direct our efforts to secure to every true worker his true wage; but the more clearly and generously shall we recognise that that is not the end of our responsibility; for we can neither trust nor force the economic wage to coincide with the human claim. When the employer has paid the economic wage he has done his part. It remains for the citizen to do his.

## THE EFFECT OF THE NON-LIVING WAGE UPON THE INDIVIDUAL, THE FAMILY, AND THE STATE

GEORGE SHANN, M.A.

IN attempting to discuss the effect of a non-living wage, it is necessary to define as clearly as possible the standard we imply in the term a "non-living wage." Economists are rather diffident of defining a living wage in terms of money, and some even say it is a vague term, more or less meaningless. It is suggested that the term a "living wage" is one that cannot be defined. One man might say that a living wage meant 30s. per week, another 21s, and so on. And certainly it is not so easy or so simple a question as one thinks at first sight. It is obvious that no one amount could be stated as a living wage; *e.g.* rents are higher in large towns than in the country, and prices of commodities vary in different places. Trade unions allow different rates of wages in different districts. Then there is the question of men's and women's wages. Women generally do lighter and less skilled work than men, and it is said by some that a woman costs less to keep than a man. Again, it is argued that the wage paid to a man-worker must be sufficient to enable him to keep himself in a state of efficiency, to keep his wife without her doing any outside work, and to rear an average family to a standard at least equal to his own. A man's wage should cover not merely the work done by him, but also the indispensable services rendered to society by his wife. The cost of production of the labourer includes, besides necessities for himself while at work, the cost of rearing him before he was a wage-earner at all. The parents of one generation expend time and money on their children which does not return to them, but which the latter

pass on in their turn to their children. If the wage that a man gets is only sufficient to keep him as a single man, the industry is getting more than it pays for.

Further, does a living wage mean necessities for subsistence or necessities for efficiency? Or does it go still further, and include the consideration of the workman, not merely as a factor of wealth production, but as a human being with physical, mental, moral and spiritual needs; that is, does it consider a man as an end in himself, and not merely a means to serve the ends of others?

Marshall, the economist, points out that there is a great difference between necessities for subsistence and necessities for efficiency. "But every estimate of necessities must be relative to a given place and time: and unless there be a special interpretation clause to the contrary, it may be presumed that the wages will be spent with just that amount of wisdom, forethought, and unselfishness, which prevails in fact amongst the industrial class under discussion. With this understanding we may say that the income of any class in the ranks of industry is below its *necessary* level when any increase in the income of that class would in the course of time produce a more than proportionate increase in the efficiency. Consumption may be economised by a change of habits, but any stinting of necessities is wasteful. . . . It will serve to give some definiteness to our ideas, if we consider here what are the necessities for the efficiency of an ordinary agricultural or of an unskilled town labourer and his family, in England, in this generation. They may be said to consist of a well-drained dwelling with several rooms, warm clothing, with some changes of underclothing, pure water, a plentiful supply of cereal food, with a moderate amount of meat and milk, and a little tea, etc., some education and some recreation, and lastly, sufficient freedom for his wife from other work to enable her to perform properly her maternal and her household duties. If in any district unskilled labour is deprived of any of these things, its efficiency will suffer in the same way as that of a horse that is not properly tended, or a steam-engine that has an inadequate supply of coals. All consumption up to this

limit is strictly productive consumption ; any stinting of this consumption is not economical, but wasteful." <sup>1</sup>

In the 1898 edition of "Principles of Economics" Marshall gives a rough estimate of the money cost of necessities. For an average agricultural family he thinks they would be covered by 15s. to 18s., with 5s. for conventional necessities. For the unskilled labourer in the town a few shillings must be added to this. In view of the recent increase in prices two or three shillings would have to be added to this estimate.

If we take Mr Rowntree's estimate, allowing for recent increase of prices, we should get approximately 24s. per week for a family of five. But Rowntree points out that in arriving at this estimate he eliminates what Marshall calls conventional necessities, and also other vital necessities, such as change and recreation, medical assistance, etc.

But without attempting to get any more adequate definition, it is evident that if we adopt Marshall's standard, or even Rowntree's, unskilled men and women in this country do not get a living wage, and much less do the demoralised casual and inefficient workers get the means for decency and comfort.

Thus the first part of my paper resolves itself into a discussion of the standard of living of the unskilled and casual workers. We note that the group of unskilled to casual and inefficient, includes differences of grade. We are not dealing with one simple type. The wage that a man gets determines in a large measure the material environment in which he lives, and the intellectual, social and moral environment through which he realises his personality.

The influence of economic poverty is undoubtedly felt through the prospective mother by the child even before birth, though not to the extent that we used to think. Nature looks forward, and in the majority of cases it is the mother herself who suffers the most from lack of nourishment and bad surroundings. The majority of children are born normal, with all the possibilities of health and development. But whatever may be the case before the birth of the child the effect of poverty is evident immediately the child comes into the world. It is now a

<sup>1</sup> "Economics of Industry," pp. 43-44.

common-place that poverty has a marked influence upon the infant's health and chance of life. In a recent official inquiry in Birmingham by the Health Department, a comparison was made in a certain working-class area of the infant mortality in relation to the wages of the father. In previous reports it had been noted that poverty appeared to have a most marked influence on the infant's chance of life, and this was again most apparent in the figures shown<sup>1</sup> :—

	Father out of work or earning less than £1 per week.		Father earning £1 per week or over.	
	Infantile Mortality.		Infantile Mortality.	
	1910	1909	1910	1909
Mothers employed at factory .	203	235	123	146
Employed at home or elsewhere	187	176	53	120
Total employed . . . .	198	217	99	137
Not employed . . . .	191	199	150	154
Total . . . .	196	211	127	146

The results show how very excessive the infant mortality is in the very poor families, compared with those which are a little better off. In the case where the wage was less than £1 per week the infant mortality rate was 196 per 1000, against 127 in the cases where the father's wage was over £1 per week.

Another important fact brought out was that "notwithstanding the enormous value of breast-feeding it cannot counteract the influences associated with great poverty. Thus the

<sup>1</sup> Report on the Prevention of Infant Mortality by Dr Jessie Duncan in the Annual Report of the Medical Officer of Health for 1911, p. 11.

breast-fed infants in poor houses died at the rate of 112 per 1000, against only 69 per 1000 in better class houses, an excess of 62 per cent., apparently due to poverty. Among the bottle-fed babies in the poorest homes the rate was 194 against 125 in the better homes, an excess of 55 per cent., so that the excess of mortality occasioned by poverty was even greater amongst the breast-fed than among the hand-fed.”<sup>1</sup>

Similar comparisons as to health and weight of the babies showed the marked results of the poverty under which the children existed :<sup>2</sup>—“The poverty in the home has a marked influence on the health of the children who survived the first year ; the percentage in good health being 72 per cent. in the homes where the father’s wages were over 20s. per week, and 51 per cent. where the earnings were less than 20s. per week. In the poor homes the percentage of children in good health was slightly higher where the mother was not employed, and the same is seen in the better-class homes.”

In the case of the children who survive, the records of the medical inspection of school children show how heavy is the incidence of poverty on the child’s health, cleanliness, and intellectual and moral development. The reports of the school medical officers give evidence of the appalling amount of preventible suffering that obtains amongst school children of the poorer classes. In his Report for 1911, Dr Newman stated that “defective nutrition stands in the forefront as the most important of all physical defects from which school children suffer.”<sup>3</sup> Malnutrition is, of course, found in all classes, but the district reports quoted by Dr Newman show that poverty with its results, ignorance, and defective hygiene, operates powerfully in its production. Special investigations into the causes of malnutrition were made in Wolverhampton, Liverpool, East Sussex, Middlesex, Bedfordshire, and Berkshire. In Middlesex the school medical officer attributed

<sup>1</sup> Report on the Prevention of Infant Mortality by Dr Jessie Duncan in Report of Medical Officer of Health for 1911, p. 12.

<sup>2</sup> *Ibid.* p. 13.

<sup>3</sup> Annual Report for 1911 of the Chief Medical Officer of the Board of Education.

27 per cent. of the cases of malnutrition directly to poverty and neglect.

The report also points out that it is still necessary, especially in some areas, for the school medical officer and his staff to spend a large amount of time and energy in combating conditions of uncleanness amongst children. The work is having good results, but even yet, in London for example, 14 per cent. of children examined had verminous heads. This condition of uncleanness must mean a lack of self-respect on the part of the child and its parents, and it also indicates the condition of the home from which it comes.

But I need not deal further with this point. Adenoids, discharging ears, ringworm, tuberculosis, are amongst other preventible diseases from which many children suffer. Fortunately the more progressive municipalities are adopting schemes of treatment as well as inspection, and much of this needless suffering will be prevented. In respect to tuberculosis, in particular, although the number of actual cases among children is small, the number of potential cases is large, and it is for these cases that preventive treatment has special value.

Enquiries by voluntary committees tell a similar story. In Dundee it was found that the average weight of boys of 13 is about 9 lbs. less than Mr Francis Galton's averages, while the average of girls of 12 is more than 9 lbs. below the average of girls in a certain secondary school in Dundee.<sup>1</sup> A report, published a few years ago by the City of Edinburgh Charity Organisation, also gives many significant examples of a similar state of affairs in that city. In addition to the physical condition a rough test was made of the mental alertness. "The 'brightness and alertness' was roughly judged by the interest of the children in their examination, and their readiness to answer the questions put to them: 274 children, or 20.77 per cent., were 'bad' as regards 'brightness and alertness,' and they were almost entirely drawn from those classed as 'bad' in health appearance, and as 'thin' in nutrition. With improvement in their general health and surroundings would

<sup>1</sup> Report on Housing and Industrial Conditions in Dundee (Dundee Social Union), p. 91.



certainly come a corresponding improvement in brightness and alertness." <sup>1</sup>

This stunting of the normal mental faculties of the children is a most serious result. The child is marked out as inefficient from the start. All the joy of the development of the infinite possibilities of one's personality, the delight of achievement, are denied him. In all normal children there is an insatiate curiosity, an intense desire to make and create, but the dull boy or girl knows little of this. When I go into a school in a poor district and see this type of child I always realise afresh the tragic waste of our economic and industrial system. When one remembers the narrow limited lot of the inefficient unskilled labourer, it is difficult to think with patience of the child condemned to this lot without even a chance to make a fight for himself.

And even in the case of the average child of unskilled parents his chance of an education in any broad or deep sense is very limited. He is in a social environment which continually impresses upon him more or less consciously the fact that he and his parents belong to an inferior order, and that, outside the school at any rate, he is in a world which gives him little chance. It is difficult, if not impossible, for middle-class people to understand the mental and moral environment of the child of the unskilled workman. He is "cribb'd, cabined, and confined" all the time. His clothes, his home, the ignorance of his parents, the lack of change and recreation, his continual condition of having to go without the good things which he sees others enjoy, the lack of refinement, and often of decency, unconsciously instil into him an acknowledgment of his inferiority. He knows without understanding that his lot is that of a social inferior, and that his life is overshadowed by insecurity and want.

Another point is the question of child wage-earners, that is, of children of school age. The last return of employment in factories and workshops (for 1907) included 32,140 children in England and Wales employed half-time, of whom 28,120

<sup>1</sup> Report on the physical condition of fourteen hundred school children in the city (City of Edinburgh, C.O.S.), p. 107.

were employed in textile factories. The Census of 1901 showed that 208,392 children *under* 14 years of age in England and Wales were employed, and of this number 36,452 were children under the age of 13.

The total number of children in the United Kingdom of under 14 and up to 16 years of age examined in 1911 by the certifying surgeons as to fitness for employment, was 474,339 (an increase of 12.1 per cent. on the previous year), of whom 458,151 were certified and 15,188 rejected. Of these rejections 9,679 were on medical grounds (for either physical or mental defect or want of cleanliness), and the remaining 5,509 rejections were on account of age, or want of evidence of age, and other non-medical reasons ; 39,363 of the children examined were under 14 years of age (being an increase of 9.2 per cent. on previous year), and of these 37,893 were granted certificates of fitness. The number of children between 13 and 14 years of age examined and intended for full-time employment was 89,342 (being an increase of 9.8 per cent.), and of these 86,514 were granted certificates.<sup>1</sup> The medical examination is in many cases of a superficial character. The parents, of course, do not want the children sent back, and therefore they are satisfied ; and public opinion does not trouble about the matter. This medical examination ought to be made more thorough and should be repeated at a later age.

No training is given to half-timers in the trade in which they are employed, and after a time they become unfit to be trained. Trade union leaders as a whole are favourable to the abolition of half-time employment, but the parents of the children are still opposed to its discontinuance. It is computed that seven-eighths of the children are in the unskilled labour class by the time they have reached the age of 19. Their health suffers and their mental capacity is stultified to a great extent, very few of such of them as attend continuation classes being able to reach the highest class. Half-time has, during the past few years, been dispensed with in many centres of industry, thus proving that it is not an industrial

<sup>1</sup> Report of Chief Inspector of Factories and Workshops for the year 1911, p. 293.

necessity ; and it is therefore time that steps were taken for it to be abolished altogether.

In addition to the number of children in half-time employment there are over 37,000 children under 16 years of age who hold street-trading licences, and of these 26,000 are under 14 and are still at school. But an accurate estimate of the extent of street-trading is difficult to obtain because in many centres there is no system of licensing or registration in force, and experience has shown that many children manage to trade without coming under the notice of the authorities even where such a system of licensing exists. Newspaper-selling is by far the most common form of street-trading, the sale of flowers or matches engages a smaller number, and the latter trade is used largely as a cloak for begging. Another small class of children assist costers or work in the recognised markets. The ages of the children are mainly between 13 and 14. The earnings vary considerably from 1s. or 1s. 6d. per week up to 5s. or 6s. in Birmingham, and 8s. to 10s. in Edinburgh, while in Liverpool the evidence given showed that 3s. 6d. could be earned nightly.<sup>1</sup>

The effect of street-trading upon character is frequently disastrous. Betting prevails to a large extent among the boys who sell newspapers, and as far as girls are concerned there is an unquestionable danger to morality. Street-trading tends to produce a distaste for more regular employment, money is easily earned without skill or discipline, but it leads to nothing permanent, and there can be no doubt that many of those who were once street-traders drift into vagrancy and crime. There is also a danger to health arising from inadequately clothed children being exposed to bad weather for long periods.

Children are also employed to a large extent in families where home-work is undertaken. In Birmingham, for example, hook and eye carders regularly employ their children to link the hooks into the eyes, and urge that the wretched pay received makes this necessary.

This employment of children takes place to a surprising

<sup>1</sup> See Report of the Departmental Committee on the Employment of Children Act, 1903 (1910).

extent, and many children come to school tired with working long hours before and after school.

*After school life.*—The child of unskilled parents, when he leaves school, goes to some employment—at the best, monotonous and calling for little initiative or adaptation; at the worst, dirty, irregular, and carried on under demoralising conditions. It can be stated almost without qualification that, in the industrial world at any rate, the unskilled youth finds little or nothing in his employment that tends to develop initiative. There is little or no call for any use of the limited education that he received, and therefore it is not surprising that the knowledge he has gained at school quickly slips from him. The wage he receives and the family income allow no margin for expenditure on material means of self-expression that might counteract this narrow and limited mental capacity. His amusements and recreations have to be cheap. The literature and newspapers must be cheap. He cannot afford musical instruments or musical education. Till quite recently it was difficult to get unskilled youths and men to sacrifice any of their income to friendly societies or trade-unions, those training grounds in common action and social sympathy.<sup>1</sup> When illness or misfortune comes he tends to depend on outside assistance. The house in which he lives is too limited in accommodation for it to supply any opportunity for collective recreation with other members of the family. There is no quietness, and the youth early acquires the habit of seeking his amusements outside his home. And so we get the typical unskilled man, able to read, but with little power of discernment or discrimination; his literature, the sporting pages of the daily press, together with that collection of morbid details, sensation and sentimentalism, or even worse, that he obtains in the Sunday papers. His amusements are the picture theatre and the cheap music-halls; or he finds satisfaction for his social needs in the fellowship found in the public-house.

<sup>1</sup> A considerable change is taking place in this respect. The recent strikes in the Black Country and amongst agricultural labourers indicate changes of outlook.

He has little knowledge of the laws that govern his everyday life ; his acquaintance even with his own country is limited, and his knowledge of foreign nations vague and incorrect. When things go wrong he is usually very helpless. On the other hand, though thriftless and lacking foresight, he is usually generous to others worse off than himself, and often in his own way gets a good deal of happiness and pleasure out of life. He has no larger share of original sin than individuals in other classes, though his standard of convention and social value may be different. Still, though there are many exceptions, usually he is apathetic and ignorant and content in surroundings of which little that is good can be said. Freedom, hopefulness, and change have little place in his life.

The lot of the wife of the unskilled man is even worse. Often through the poverty of the family she goes out to work in addition to the burden of house-keeping and rearing a family. Her life is usually dreadfully monotonous. Often she does not even read the newspapers. After the children come she is kept in the house, and finds little opportunity for outside recreation. Her husband finds his recreation elsewhere, and there is usually little comradeship between them. When bad times come it is the woman who has to try to make the money spin out. The dread of short time or the unemployment of her husband is always with her. If there is not enough for all, it is she who goes without. When illness comes she bears the burden. It is little wonder that often she becomes a mere hopeless drudge, with the vulgarity of an untrained and undeveloped body and mind. The human spirit can work only with the material which it has, and the almost inevitable result of the stress of life and the environment in which the unskilled woman lives is a want of refinement, leading to roughness and vulgarity. The wonder is that so many of the girls and women come out of it so well as they do. To say the least, such conditions of life do not tend to the development of sympathy with, and understanding of, the deep and beautiful in the world and in human nature.

There has recently been an interesting illustration of the strain which is put upon women in this class by the fact that

under the Insurance Act the claims of married women for sickness benefit have very much exceeded the actual forecasts. So heavy has been the demand in certain areas that special investigators were sent down to detect malingerers, but they reported that the claims were quite bona fide.

The next point we have to consider is the effect of the non-living wage upon the family, but after what has been said as to the effect of low wage on the individual I do not think much further need be said. The family is a collection of individuals, and family life cannot be much higher or deeper than the individuals who compose it. Any social institution is but the concrete embodiment of the character of the people behind it. Character determines environment, and environment determines character, not in a hard mechanical way it is true, but character and environment are the same thing looked at from different points of view.

On the material side probably the most important factor in home life is the house and its surroundings. "A well-drained dwelling with several rooms" is the minimum for decency and comfort. The unskilled labourer has usually a family larger than the average. He marries early, because by the age of 21 or thereabouts he is getting as much wage as in the usual course of events he can hope to get—that is, from 18s. to, in favoured circumstances, 26s. per week. The house he can afford has seldom more than one room down and two bedrooms. The house is often in bad repair and is one of a long unrelieved row coming right up to the footpath. In the back-to-back system found in many towns those in the rear have, as the prospect from the windows, a view of the ashpit, sanitary conveniences, etc. Very often there is no water supply inside the house.

In manufacturing cities this class of house is usually situated near factories and gas-works, and the atmosphere is filled with smoke, dust and fumes. Usually there are few if any gardens or green spaces for the children to play in. Thus the very people who are in the least advantageous position for dealing with soot and dust are called upon for special effort to keep

clean and tidy. It is not strange that often the task is too great, though the majority of the women make a good effort to be clean. Of course there are many careless women, and there is the casual inefficient class, who exist amongst degrading and filthy conditions, whose clothes and persons are verminous and filthy, and who seem to have no conception of the most elementary laws of health and decency. But many of the wives of unskilled men keep up a standard of cleanliness, and at the present time there is a distinct improvement in the standard of accommodation demanded even by the unskilled workman and his wife. But people of this class have no margin for mistakes or carelessness, and yet their whole training, or rather lack of training, tells against the development of the qualities needed to make a successful fight against their adverse conditions. Even if the mother has no outside work it is difficult to create a real home. The cooking, the washing of dishes, the washing of clothes, and in winter or wet days, the drying of clothes, the children, the meals, are all in one room, and so there is little chance of quietness and rest for the man when at home. Then the children commence to earn money at a comparatively early age, and amongst the poorer classes of people this often results in a lack of home control, and the freedom of the children exceeds all reasonable bounds and becomes license and disobedience. As I have said before, all the members of the family at an early age seek their pleasure outside. And it is obvious that amongst other effects of overcrowded, comfortless homes is the tendency to send the men to the public-house. It is true that drinking causes poverty, but it is equally true that depressed physical energy and comfortless homes cause drinking, and this drinking re-acts by blunting their sensibility to dirty surroundings, and deadens desire for improvement. Of course it happens that some groups of workmen who now have good wages spend a large amount in drink, but we have to keep in mind that the present moral and physical condition of any particular group is the result of social and industrial conditions which have obtained for generations, and it cannot be expected that an increase of wages will at once all be turned to the better use. Yet experience shows that continued higher wages,

together with better education and improved surroundings, tell definitely for the uplifting of the workers. Of course the question of wages cannot be considered just by itself apart from the whole complex subject of social influences.

In respect to the family life it is certain that the standard is much higher generally amongst the better-paid workmen. There is more comradeship between the man and his wife; there is more care for the welfare of the children and more sacrifice by the parents for the future benefit of the children. The family often take their recreation together. They usually get a holiday together at the seaside. There is more social ambition and their lives contain much more hopefulness, freedom and change. Though limited in many ways, their house with its front parlour affords some opportunity for rest and quietness.

I must now turn to the effect of low wages upon the State. There is no need for me to emphasise the fact of the interdependence of the individuals within the State. We have now got past the mechanical opposition between the State and the individual. We admit that no man can separate himself physically or morally from the problems of the community in which he lives. Everybody is a consumer and exchanger of wealth, if not a producer. And in our collective capacity as certain social groups, and as municipalities and the State, we have in various ways to bear the cost of the poverty which exists in our midst.

I have already referred to the effect of poverty in lowering health and vitality of the workers. This has a direct effect upon collective life of the State, *1st*, as a direct loss of productive efficiency, and *2nd*, in the actual money cost which the community bears in various ways. Probably this is best seen in the disease of Tuberculosis. It attacks many young adults after much has been spent on their training and before they have made any economic return to the community. The disease is expensive because it lasts so long. And I think most authorities now agree that where poverty exists, tuberculosis co-exists. It is certain that tuberculosis is largely a poverty



disease. Commenting on this fact, the Medical Officer for Birmingham, in his Report for 1911, says, in a paragraph headed Cost of Tuberculosis to Birmingham :—" A considerable amount of work is being done with a view to checking the disease, either by preventing infection or by curing patients, and thus preventing them from remaining infective. The cost of this work for the relatively small proportion of tuberculosis cases dealt with amounts for the year 1911 to nearly £10,000. If other agencies are taken into account, such as our work in dealing with insanitary houses, health visiting, and the charitable agencies in Birmingham, it will be seen that the amount expended in the City is considerable. Against this, however, must be put the enormous loss caused by the long illness from which these consumptives suffer, the loss to the community through the deaths of many young adults, and through the crippling of children which prevents them from ever becoming self-supporting. It is not difficult to demonstrate that at least a quarter of a million pounds is lost to Birmingham every year by reason of tuberculosis. If everything is taken into consideration, probably the sum is much larger, so that there can be no question as to its being much more economical to prevent the occurrence of the disease than to attempt to deal with it after it occurs. Anybody who has had any experience of visiting the homes of consumptives cannot fail to recognise the wastefulness of allowing the disease to develop."<sup>1</sup> And similar facts could be given of many other diseases. The death-rate of children and adults is always highest in the poorest areas, and the death-rate is a fair index of the general health of the district concerned. And there is no easy or quick road to improvement. It can come only through clean and wholesome housing accommodation, through healthy class-rooms in our schools, through efficient medical attention as soon as needed, through better workshop conditions, and better wages. It must be recognised that prevention of disease is cheaper and better than to attempt to cure it when found.

Another waste of public money is evident under our educa-

<sup>1</sup> Report of the Medical Officer of Health for the City of Birmingham for the Year 1911, p. 52.

tional system. In the first place there are large numbers of children incapable, through underfeeding, malnutrition and physical defects, of taking advantage of the schools and teachers provided for their advantage.

Other children come to school tired with working long hours before and after school. As I pointed out above, this labour of children takes place to a surprising extent.

There are many other ways in which the community pays. Large sums of money are expended in charity and Poor Law relief, out of which underpaid workers are subsidised. Items like the cost of the feeding of necessitous school children would come into this account. A large part of the expenditure on charity and Poor Law relief is a subsidy to wages. It is this class of people, too, as compared with the rest of the community, who contribute the majority of the inmates and outpatients of infirmaries and hospitals. All of this means a money cost to the community.

Another important matter is the degradation of labour efficiency. Physical strength, mental alertness, moral character, have an economic value. It is questionable if there is any job so routine and mechanical that intelligence and character have no effect on the output. But far too little attention has been paid to this fact by individual employers and by the State. The average employer is very keen about the quality of the machinery which he buys, but deals with his labour in a most haphazard way. Yet it is evident that when the degradation of the labourer reaches a certain point, the people affected tend to accept their lot and adapt themselves to the low standard of life. Unless the labourer can maintain a reasonable standard of decency and comfort, his industrial efficiency must be equally low. A man's general ability depends on the kind of home he has, the amount of education he has had, and the kind of mother who was in the home.

Loss from the national point of view arises from the fact that the efficiency of the new generation depends on the foresight, sacrifice, and financial position of the parents; and the badly-paid workman and his wife has neither financial resources

nor the educated foresight to give their children a fair chance. The less one's own faculties are educated and developed the less one can appreciate the need of education and training. The evil is cumulative, though even now there is much sacrifice amongst the unskilled parents for their children, so far as means and knowledge allow. It is impossible to estimate the economic loss to the community due to the waste of intelligence and ability which never has a chance to develop. It is difficult for the son of an unskilled labourer to get even the training necessary for becoming a skilled artisan. It is certain that an increase of wages for the unskilled workers would result in increased efficiency, greater in proportion than the rise in wages. This would mean some increase in the national dividend and would make labour cheaper to the community in proportion to its efficiency.

Thus the employer who obtains labour for which he does not pay in his wages bill is a parasite on the present and future of the nation.

At this point it is necessary to meet an objection that is raised by some people who argue that if wages are raised then prices would rise, and the workers would be no better off; and that since there are some trades that cannot raise prices because of foreign competition, it would mean the loss of these trades, and so there would be a real loss to the community.

In regard to this objection let me say first, that even were it true that increased wages necessarily mean increased prices, the workers would still be better off, since the increase of price would have to be met by the community as a whole. The consumers, since they are the whole nation, include both wage-earners and non-wage-earners, and the increased prices would be spread over this larger body. Thus the workers would get some benefit. It is a most mischievous fallacy to urge that low prices compensate the workers for low wages.

Then again, the history of the last hundred years shows that there is not necessarily this direct effect from increased wages of increasing prices. Over a considerable period when wages were increasing, prices were falling. On the other hand, during the last decade prices have risen considerably while wages

have been stationary if they have not decreased. Therefore I am not prepared to admit that there would be a proportionate rise in prices due to the increased wages. A little reflection shows that there are many factors to be considered. Very often the payment of low wages is the line of least resistance for the employers, and when increased wages raised the cost of production, improved machinery and more efficient management comes into being. And in the long-run this is more profitable. This is especially true in most of the sweated trades carried on by women. In nearly all the trades the work done by the sweated women can be done by machinery. Many small firms exist just through sweating the women. The necessity for improved methods would tend to drive these from the trade, and this would be an economic advantage. It would be a great gain in the long-run to drive all such work as boxmaking, carding hooks and eyes, paper bag-making, manufacture of clothing, etc., into factories to be done by machinery.

Then there is the fact to be kept in mind in this connection, that all economists are agreed that the present standard of comfort of the unskilled labourer is so low, that an increase of wages would bring a more than proportionate increase of efficiency.

As to the second objection that there are some trades that could not increase their prices because of foreign competition, this has to some extent been met by what I have said. But even if we have to admit there are some such trades, it means that such a trade is a parasite on the rest of the community. Such a trade does not pay its own true wages bill, for its workers have to be subsidised in various ways by the community; and this means that such a trade is a bounty-fed industry, supported from the returns of more efficient and economic industries. This must mean that such a trade is diverting capital and labour from more profitable and economic uses.

Again, we have to remember that the movement towards better conditions of work and wages is not confined to this country; there is an advance being made in all countries.

In any case, from the point of view of the community, low paid labour is never cheap labour. —

To sum up, then, the effect of poverty is to prevent the normal development of the individual in health, intelligence and character. And since the family cannot be of a higher type than the individuals who compose it, poverty means that the family suffers through lack of material resources and environment for developing social sympathy and the real community of interests on which the family life rests. The community suffers positively in the money cost and the cost of energy and time expended in dealing with ill-health, insanitation, and the problems arising out of the individual's lack of character and foresight. The community also suffers in the loss of economic and industrial efficiency and in the deeper loss that must ensue when such large numbers of the community are prevented by their poverty and toil from sharing in the education, comfort and refinement which are necessary to the development of that personality which is at once individual in form and social in content.

## TRADE UNIONISM AND THE LIVING WAGE

DR GILBERT SLATER

THE wage system as it obtains in our own country and other advanced countries may be described as a system whereby leading workers acting either on their own account as employers, or as representing the shareholders of companies, make contracts with all the other workers associated with them, whereby these latter receive definite sums, and abandon any claim to the output of commodities which their labour creates. It is necessarily a sort of contract which has a distinct Jacob and Esau flavour ; the wage-earner gives up his equitable claim to the final product with all the uncertainties of success and failure in manufacture and sale, and receives instead a wage the amount of which ordinarily depends in the main upon what is necessary to keep him living and working. As a social institution the wage contract therefore rests both on an economic basis and on a psychological basis—on an economic basis because it facilitates the development of great industrial organisations by facilitating industrial discipline, the workers of the rank and file being dependent on the goodwill of the leading worker—and on a psychological basis, because it diminishes the demand for thought and enterprise and the nervous strain on the bulk of the workers.

It is worth while for us to remember that the wage system only affects the minority of the world's workers. The great majority of producers, particularly of the producers of food, throughout the world are peasants or independent craftsmen. Even where the wage system is most firmly established, it is comparatively recent. We may note again just as there are two main forms of slavery, apprenticeship slavery and chattel slavery, so we may say there are two sorts of wage-

dom—apprenticeship wagedom and permanent wagedom—giving the name of apprenticeship wagedom to the system in which those who worked for wages normally expected to become independent producers later in life, which preceded our present system whereby our manual workers generally are permanent wage-earners. It is just as the older system of apprenticeship wagedom gave place to the present system of permanent wagedom, that trade unionism came into existence. As the workers in one industry after another found themselves shut out of any reasonable prospect of ever becoming anything else than wage-earners, they turned the energies which could no longer find vent in the struggle to become independent producers, into efforts to improve, by mutual help, their common lot as wage-earners.

Hence the fundamental function of trade unionism is, accepting the wage contract as at any rate for the present an inevitable necessity, to make it tolerable to the workers. In other words the first duty of a trade union is to secure for its members a living wage. Probably much has been said already about the conception of a living wage from various points of view. From the trade union point of view I do not know of a better definition than that given by the late Councillor Martin of Woolwich, a socialist navvy. He said, "By a living wage I mean a wage on which I can bring up my children properly, and take them to the seaside for a fortnight in the summer." A living wage may be contrasted with a subsistence wage, which originally meant such a rate of remuneration which would enable, on an average, at least two children of a wage-earner's family to be maintained by the collective efforts of the family, and to grow up to maturity. The conception of a living wage implies a sufficient remuneration to enable all the members of a normal family to be reasonably safeguarded against starvation, or such lack of necessities of life as would tend to impair the health of normal children. It implies that the wage received during employment shall leave sufficient margin to make provision for as long periods of unemployment as may reasonably be expected. But more than this the trade union conception of a living wage includes

the power of sharing to a reasonable degree in healthful amusements, and in the refinements of civilisation. Its demand cannot be finally summed up; it is a progressive demand expanding with every new development of civilisation. It already includes the power to spend money in tram rides, bicycles, and picture palaces—it may soon include lawn-tennis and golf.

To realise what trade unions have actually effected in the direction of securing to their members a living wage, it is necessary for us to consider what the wages of our workers would probably be if it were not for trade unionism. For this investigation we must trust solely to deductive economics. I think, however, that the laws of supply and demand are sufficiently well understood for an adequate statement on the subject to be made.

All the circumstances which tend to drive the market price of a commodity to a minimum would operate in the case of unorganised labour. When a commodity is produced for profit by a great number of independent producers, its price tends to fall to the cost of production. Human beings are even in a worse position, because no expectation of profit is needed to induce parents to bring children into the world. When the sellers of a commodity are unorganised, when they are making forced sale, when the commodity which they have to sell is immediately perishable, they sell at a disadvantage. Unorganised labourers if they do not sell Monday's labour time by Monday morning, lose that day's labour altogether. They are always making forced sale. So far at any rate as unskilled labour is concerned, and the most usual varieties of skilled labour, the supply on the market is nearly always in excess of the demand. It is clear, therefore, that if it were not for trade unions, wages would continually hover about the irreducible minimum.

If we go on to consider what is this minimum, we find that it is not directly connected with the maintenance of a family. There are two forces which operate when wages have sunk to a certain point to prevent them from sinking further, and so to determine the minimum. The first is that if the wage



offered him appears to the labourer to be a starvation wage he may say that he would rather starve idle than starve working. Here I may incidentally remark that the savage principles of the Poor Law of 1834, of Relief for Destitution Only and Less Eligibility, are calculated to reduce to the lowest point the wages which the labourer will accept in preference to being unemployed, and that an enlightened and humane Poor Law would tend to benefit the independent workers even more than those who are obliged to ask for public assistance. The other force tending to limit the possible fall of wages is the employers' interest. The employer can get no good work out of a starving man. It is to his interest that his hands should be fed as well as his horses. Unfortunately from the employer's point of view, if he gives a man exactly what is necessary for thoroughly efficient labour, that man will dissipate a part of his wages in expenditure which brings the employer no direct return, *e.g.* he will hand over so much a week to his wife to be spent on maintaining the family. Hence the employer may be compelled in order to get efficient labour from the man to give wages sufficient to support a whole family. Hence by another road we may reach the old conclusion that the wages of labour tend to a minimum of subsistence for the labourer and his family. This applies to unskilled labour and to all skilled labour where the skill is cheaply obtained, as with agricultural labourers. Where expenditure of time and money is necessary to acquire a definite degree of skill, such skill has cost of production, and if it is in adequate demand it can command an additional remuneration which would yield a pretty high percentage on the cost of obtaining it. Further we may note that in a great variety of callings individual workers may obtain what is termed the rent of ability—*i.e.* extra remuneration which is due to some personal qualities inherent in themselves. This will depend upon the extent to which those qualities are desirable to employers, and the extent of their rarity. With regard, however, to the interest of personal capital, we may note that all cheapening of technical education, if unaccompanied by the organisation of the workers themselves, would merely tend to approximate the level of wage

of skilled labour to that of unskilled, without raising the level of the matter.

If this analysis of the economics of wages, deprived of the assistance of trade unionism, be correct (and I may say that it appears to me to be based upon sound argument, and also to be confirmed by experience), then we can see how unjust the wage contract would be in such circumstances. We should have the great bulk of the population doomed to exist in an unprogressive condition in the midst of ever increasing wealth ; the victims from generation to generation of all the physical and material injuries produced by poverty, and subject while absolutely living at the same level of subsistence to a constant relative deterioration of condition. Nor can any improvement be hoped for from outside or from the mere evolution of industry. One indispensable condition of improvement is that the wage-earners must exert themselves in combination to secure amelioration of their conditions.

Directly a body of workers engaged in any industry are solidly combined in a trade union, the conditions under which the wage bargain is made are radically altered. The sellers of labour for wage no longer compete with one another so far as the price of their labour is concerned. The union rate of time wage, or the union list of piecework rates, is fixed, and the employer has merely to select the best man available. If the trade union has to deal with unorganised employers it fixes its standard rate on its own responsibility ; but more and more employers become organised, and then the rate is determined by negotiation between the union of the men on the one hand and the union of the masters on the other. More and more elaborate machinery of joint boards, conciliation boards, sliding scales, is created—and, perhaps, we shall have in the future the State intervening and appointing judges to fix the terms of the wage bargain when men and masters cannot agree.

The extent to which a trade union can alter favourably the conditions of the wage-bargain for its members obviously depends in the first instance on the proportion of the men employed, or capable of being employed, in the particular

sort of work, who are in the union ; and, in the second, on the solidarity of the union itself. The methods of attaining these two ends constitute a great part of the technique of trade unionism, which is full of knotty problems.

The more men work in close comradeship with one another, and live also in neighbourhood, the more easy it is for them to unite. Perhaps the best example is the coal-miners, who have frequently a walk of several miles underground to their working places, who live together in mining villages, and who frequently, in times of accident, exemplify the spirit of comradeship in a striking way. Somewhat similar advantages for combination are shared by the textile workers.

More than sixty years ago the Amalgamated Society of Engineers devised an admirable method, in its elaborate system of benefits, which become more and more valuable to a man as he grows older, for keeping a body of men closely bound together in the union, although scattered physically all over the country. It is the duty of the "society man" among the engineers, when he is working in a shop where he is perhaps the only trade unionist, to get hold of the young men, if possible while still in their apprenticeship, and get them to join ; with the pretty strong assurance that after they have paid their contributions for a few years they will be very loth to give up their membership of the union. It would, however, be practically impossible to start a union for unskilled or low paid workers on the A.S.E. principle of high contributions and high benefits.

Where workers are in receipt of excessively low wages, and also work in isolation from one another, there are the greatest difficulties in organising them. This is notoriously and obviously the case with agricultural labourers. Some three times in the nineteenth century, when the general tide of trade unionism was at the top of the flow, the agricultural labourer showed a tendency to combine, the greatest attempt being that led by Joseph Arch. Each time only a very ephemeral success was secured. But I, for one, do not despair even of the agricultural labourer. There is a new spirit abroad,

and if another Joseph Arch appears, he will have a more favourable field to work in now than in the 'seventies.

The power of trade unionism, as I indicated just now, depends very largely upon the success of the union in securing as members as many as possible, not only of the men who are doing the particular work, but also of those who might do it. This is a particularly important consideration in labourers' unions. Hence we find that the Dockers Union, the Gas-Workers, and so on, are for general labourers also, and even more comprehensive is the Workers Union, which is rapidly becoming great and powerful. But the importance of this consideration also affects the unions of skilled artisans, in such trades as engineering, where machines worked by labourers are displacing skilled men. The realisation of this fact is acting as a useful corrective to the artisan's consciousness of class superiority; and the need of solidarity and comradeship between artisan and labourer is being driven home.

Before estimating the value of trade unionism to the manual workers as a whole, there is one question which must be dealt with. The old exponents of the Wage Fund theory held that if the workers in one trade by combination succeeded in increasing their remuneration, they did so at the expense of the unorganised workers. That idea was, of course, based upon the theory that the total amount in wages was actually at any given time the maximum possible in those circumstances, a theory which is exploded and abandoned. It is, of course, easy to conceive of circumstances in which an increase of wage to the workers of one industry would be paid for by the workers in other industries in whole or in part, *e.g.* if the miners secure an increase of wage, which puts up the selling price of coal, the working-class coal consumers must pay their part of the increase. But we have also to notice that the higher standard of life secured by the trade unions has its effect upon the non-unionist, both in his own trade and in other trades in his neighbourhood. Agricultural labourers, for example, earn far higher wages in counties where trade unionism is strong among urban workers than where it is weak or non-existent. And it appears to me that

trade unions have on the whole done more to raise than to lower the wages of the unorganised workers.

Only the roughest estimate, of course, can be made as to the extent to which trade unions have raised the wages of their members. I myself would say that in the strongest organised trades, *e.g.* the coal miners, the cotton operatives, and the boilermakers, the actual wages are probably double what they would have been without combination. So that in these trades you may say a man or a woman receives half his or her wage for the work he or she does, and half as the reward of trade unionism. Whether this estimate be agreed to or otherwise there can be no doubt that a very large proportion of the wages actually received by the manual workers of this country would not be received by them if it were not for trade unionism.

It is also apparent that the possibilities of improvement in wages through trade unionism are by no means exhausted. The last few months have shown an enormous increase in the number of members of trade unions, and a display of fighting spirit among them which recalls the very great development of *new unionism* following the London Dock Strike of 1889.

It should not be impossible for the two and a half millions of trade unionists to double their numbers, and increase in even greater measure their power in bargaining with employers.

Yet as trade unionism grows in power it will be found that there are necessary limits beyond which a uniform wage for the general body of workers cannot be raised. In most industries there are the weaker employers who are liable to be driven into bankruptcy if wages rise above a certain level, and, at a certain point, which unfortunately is very difficult to know beforehand, each increase of wage secured by the union is balanced by an increase in unemployment.

Trade unionism, in a word, can increase wages at the cost of general profits; it cannot touch either rents, or what are called the quasi-rents of all sorts of industrial advantages. These constitute the main bulk of the incomes of the wealthy

class. Trade unionism, therefore, is incapable, working on its own characteristic methods, of securing a just distribution of the profits of industry ; or of making the great mass of the people full inheritors of the advantages of civilisation. It lifts its members out of the Slough of Despond, it puts some firm ground under their feet, it gives them a glimpse of possibilities—and inevitably they will demand more.

English trade unionism has been strongly affected during the past thirty years by impulses from abroad. Both German Socialism and French Syndicalism have affected English trade unionism in a manner which exemplifies the peculiar mental habit of the Englishman. To the former must be attributed largely the fact that we have an organised Labour Party in existence ; but the methods and policy of the British Labour Party remain characteristically British. The British trade unionist is even less inclined to become a Syndicalist of the French type than a Socialist of the German type. But from Syndicalism trade unionists of the present day appear to me to have learnt very valuable lessons. They perceive the value of solidarity between the different grades of skilled labour, and between the skilled artisan and the unskilled labourers. They perceive also that the extreme sectionalism of British trade unionism is a great weakness ; that the number of unions ought to be reduced to a mere fraction of those now in existence by amalgamation, and that the amalgamated unions should be federated together. They also see the value of the power of action amongst the rank and file, and the danger of too great dependence upon leaders.

One effect of Syndicalism upon English trade unionism has been the raising in a more acute fashion than ever of the old controversy between the merits of parliamentary and direct action. It seems strange that such a controversy should exist. It is apparent on the face of it that labour organisations must utilise all the powers they possess if they are to accomplish their ends. To contend by means of industrial action only and to deny themselves the power which comes from the exercise of political action, is like a boxer entering into a contest with his right hand tied behind his back. Similarly, to

rely upon political action only is as if the boxer were to have his left hand tied behind his back.

If we try to see why this obvious fact has not been perceived, we find the reason in a certain weakness in organisation of trade unions, the weakness, namely, which arises from the inability of the manual workers to understand that brain work must be paid for, and that it is as well to select carefully men to do different types of brain work. When the Taff Vale decision forced the trade unions into political action, they had no better notion of going to work than sending their general secretaries to Parliament.

It is clear that a trade union has no less than four different types of work which it has to get done through its employees. First there is its benefit work, swollen to enormous dimensions if it is an approved society under the Insurance Act. This branch of the work requires its own expert staff, which should be kept upon that work entirely without responsibility for other parts of the work. Secondly, the trade union has the work of negotiating with employers, if necessary of conducting strikes and resisting lockouts; of continually investigating the movements of industry which affect the conditions under which its members earn their living, so as to secure for them the best conditions of wage and labour possible. That part of the work again requires its carefully selected agents. Thirdly, under existing conditions it is necessary for a trade union to be represented in Parliament. It is clear that to be a Member of Parliament should be regarded as a whole time job, and that directly a trade union official is elected he should be relieved from all work, in connection with his union, which makes any considerable tax upon his time. Fourthly, there is yet another department of necessary work of a trade union not yet recognised—the educational side. The General Secretary of a union should be required to give general supervision over all these four departments, without becoming absorbed in the work of any one of them. Only by such organisations as this can the trade unions, on the one hand, save themselves from being overwhelmed by the mass of detail involved in Insurance

Act work, and on the other hand keep pushing forward on the two lines of advance of political and industrial action.

Of the ways in which the state may intervene to secure the living wage, I propose to say nothing. All I would remark here is that the possibility of such action gives an added importance to trade unionist representation in Parliament.

I could conclude by repeating what I said at the beginning of my paper—that wagedom is but a recent phase in the world's history. The relations between employer and employed, and of both to the State, are undergoing an extraordinary rapid evolution. It is difficult indeed to forecast what further changes may occur in the near future—it is perhaps safe to anticipate that they will be great and radical. Whether what changes do come will be for good or for evil, depends, I believe, upon the strength of the determination of the men and women of good will.



## PROFIT-SHARING AND CO-OPERATION IN RELATION TO THE STANDARD OF LIFE

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THE movement with which I have to deal differs in important respects from trade unionism. In the first place, it is much later in origin ; for although the first profit-sharing scheme in this country is dated 1829, that was rather an isolated case, and it is not until the 'sixties that any broad influence appears. This comparative lateness is of importance, in that it has caused the ideas of profit-sharing and copartnership to enter as strangers into a sphere where there was already another policy in use. Then the movement has been less decisive and continuous. It has had two periods of special activity—after the Dock Strike, and since 1908. From 1889 to 1892, 87 schemes were undertaken, of which 66 have been given up ; and since 1908 there has been a marked extension of the method in the sphere of the gas industry. Apart from these two periods, progress has been slow and irregular, each year seeing new schemes begun and others given up. At the date of the last Board of Trade return, a total of 299 firms had tried the method of profit-sharing in some form, and of these 133 were still using it. In the third place, this movement is mainly initiated by the employers. I am asking the attention of the Conference to what can be done from their side of the case in aid of the standard of life. But though the initiative is from the employers, that does not mean that profit-sharing can be regarded merely as a concession. I must argue that point later. As industry is organised at present, financial complexities are so great that only the employer could indicate the method by which special subsidies could be paid in his own particular case. There has to be great variation in the manner of payment.

These differences from the trade union line of advance necessarily make my paper somewhat controversial. Trade unionists are rightly jealous of anything which might seem to endanger the standard rate, or undermine the forces by which that rate is kept up. But it is to be distinctly understood that profit-sharing and copartnership are not now urged as in any way substitutes, in whole or in part, for trade unionism. The schemes I am dealing with essentially imply that a standard rate is already being paid. The question is whether the payment of such a rate finishes the obligation of capital to labour. We have heard a good deal in our discussions of certain surpluses, and of the problem of their fair division. The standard rate does not prevent these surpluses from accruing to capital in variable amounts, over and above the living wage of capital. Some supplementary method has therefore to be employed, if the surpluses are to be divided. Taxation is the general method of doing this for all industry ; but, within each industry, the more direct way of profit-sharing is obviously capable of making the partition more exactly proportionate to individual merits and claims.

A further difficulty in the consideration of these methods is, that at the present time we are not disposed to be very critical of any measures which transfer wealth from the rich to the poor. Suppose the standard rate to be safeguarded ; then we are somewhat blindly favourable, in the existing state of the distribution of wealth, to any equalising transference. Many studies of profit-sharing therefore content themselves with showing how much labour has received, or what degree of control in the management of a business. But it would never be sufficient to supplement trade unionism with a sort of employers' charity. The influence of charity on the standard of life is not on the programme of this Conference. We are dealing with the equities of the case, and there must be a basis of economic justice for the measures we consider. That is why I have to ask your indulgence in the chief part of this paper ; a justification is required ; " industrial chivalry " is not enough, and it will take an argument to get to my result. It is to be observed, also, that profit-sharing is not urged as

only a transitional method of subsidy to wages, pending the establishment of national minima all round. It claims to be, at any rate while industry remains competitive and its profits variable, a permanent addition to our machinery of wealth-distribution.

I propose to begin by taking typical cases. It is impossible to reduce to a standard the great variety of ways in which it is sought to transfer the surplus. But there are three types—model employment, profit-sharing, and copartnership. Co-operation is not a new type; though the employers are to a great extent working-people, the sharing of the surplus with their employees is the same question, in a sphere where we may look for an unusually sympathetic application of it. Of certain other features of working-class government, I will speak at the close.

First, as to what is known as *model employment* or *industrial betterment*. Certain employers transfer to labour part of their profits by establishing institutions or services to which their employees have free access, such as recreation parks, medical service, or special housing conditions. Such schemes are not usually included under the title of profit-sharing; but plainly they are a form of profit-sharing *in kind*, just as national taxation gives subsidies to labour, provided they are taken in free education, old age pensions, or assisted insurance. Some of these employers' schemes are very costly, and they have attracted more public notice than what is technically known as profit-sharing.

By what obligation, or on what principle, is this done? I think that these are the easiest cases to give good reasons for. They amount to a new interpretation of the relation of employment, a widening of the meaning of the word. Under public influences, a change of the same kind has come over the idea of education. What once implied only attendance for instruction at a certain place now means in addition a degree of physical and moral care which would have been regarded as "model" education twenty years ago. In the same way, attendance for work at a factory is, by these employers, not taken as exhausting the idea of employment. They do not

change the wage-relation ; but imply, so to speak, that in equity it means more than at common law. Further, *any* business is adaptable to some at least of the ideas of model employment. And they have the advantage that the bonus is not graded solely on earning power ; a larger bonus is not given to an employee earning 30s. than to one earning 25s. a week.

Of course, it is often held that these schemes pay for themselves. But they have this special significance. The argument for social betterment is a broad one, stated in national terms ; better health and better education are policies which, to the nation as a whole, may be shown to be expedient and profitable. But the springs of economic action are individual. An individual parent does not see how the social expediency of another year at school for his child is going certainly to pay in his case, though such a general policy may pay the nation ; and the individual employer who broadens the meaning of employment for his work-people takes the chance that the benefit will return to him, and not simply be added to national wealth.

Secondly, certain employers pay, usually by agreement, a cash bonus annually to labour out of profits, on certain conditions, and in proportion to each man's wages. This cash payment is the predominant method of profit-sharing, and covers three-fifths of all the schemes. There are various ways of fixing the bonus, but as a rule it is conditional on capital getting, what labour is supposed already to have got, its fair remuneration. A typical scheme would be one in which labour would be paid the standard rate, and capital five per cent. ; any surplus still remaining to be divided between capital and labour, either in certain proportions, or in proportion to the amounts of capital and wages. The dividend to labour would then be sub-divided to each worker in proportion to his own annual earnings. A variation of this general scheme is where the employees are allowed to bank with the firm, at a minimum rate of guaranteed interest, together with a supplement which varies with the profits.

Thirdly, profit-sharing develops into copartnership, the

annual bonus to labour being paid in shares in the business, and only the interest in cash. This may be combined with the previous system, a larger bonus being paid to share-holding employees. Under the Limited Partnership Act of 1907, employees may form themselves into investment societies and accumulate their capital in the parent business. It was a favourite idea of John Mill that by some such process the capital of industry might gradually be transferred to the people. As a rule, it is not obligatory on the employees to enter the copartnership scheme, and the same firm which has copartners among its workers may have others working on ordinary terms. As a rule also the shares give voting power ; but this has not yet led, in the field of capitalism, to a substantial working-class control. The voting right is often qualified by reservations of authority. There are conditions of length of service, freedom to sell shares, and notice of withdrawal, which vary too much to be classified. The general plan is to put the idea of partnership before that of the cash value of the bonus. The further step taken by copartnership is meant to assist in the creation of industrial peace through the industrial insight and responsibility of working people.

These two latter methods of sharing the surplus with labour are my special problem. They have to be justified. At the present time they account in all for about 150,000 work-people. The majority of these are employed in general capitalist industry, 106,000 in all ; and of these nearly 30,000 are in Gas Companies. The other 50,000 are employed in co-operative organisations of various kinds, about a third of these being in retail distributive stores. The statistical basis is not yet broad or firm enough for us to say what industries will eventually prove to be best adapted for these schemes.

The bonus to labour over the first dozen years of the century has averaged  $5\frac{1}{2}$  per cent., in cash or shares, in open business, 5 per cent. in co-operative stores,  $3\frac{1}{3}$  per cent. in the Scottish Wholesale, and  $4\frac{1}{2}$  per cent. in workers' productive associations. There have been great strikes which have not obtained so much.

The personality of employers has been an important factor.

Another must be the possibility of making use of the capital which must accumulate in copartnership schemes. The Board of Trade indicates this danger; but I think that most great businesses can make use of capital by the establishment of their own subsidiary industries.

Now I come to my questions. What is most crucial is to settle the problem of *right* in this matter. *Ought* wages to share in surplus profits? Is the workman deprived of something which he can justly claim, if he does *not* get this share of the dividend? Lord Grey, the Chairman of the Copartnership Association, said at the annual meeting in London last year that "the problem before us is how to organise our industry on lines, the fairness of which will be generally admitted. Fair play is the keynote of our British character, and I am satisfied that, wherever a feeling of mutual sympathetic regard exists between employer and employed, they will both be prepared to consider fairly and meet fully each other's just requirements." In the same spirit, the Copartnership Bill of 1912 was based on the idea that "when the return (to capital) is more than 5 per cent., the employee becomes *entitled* to a bonus of  $\frac{1}{20}$  of his wages for every extra 1 per cent. paid in dividend." So that the standard of life is being wrongly lowered whenever copartnership or profit-sharing is possible, but not actual.

How is this claim to be made good? It will take some argument, which goes to the basis of the wages question. A claim that wages ought to share in profits plainly implies a theory of wages. And we have to test the claim by seeing if it can be made good on any such theory.

I take first what may be called the "market" theory of wages. This means that labour is bought and sold in the market, as any commodity is, by the method of bargaining; and that, like other goods, labour has a fair market value which is the true measure of the service it renders, and which it is the aim of the trade unions to obtain. Discover this fair value and you have solved your problem, whether the employer is an individual, a society, or the State.

I do not think that a case for profit-sharing can be made

out on this basis. The sale closes the transaction between buyer and seller. Why give a share of your profits to the man who sold you his labour, and not to the man who sold you his coal? There are cases of bonus to people who buy from a business, but I know of no case of bonus to those who sell to a business. On the assumption that the wage-contract is itself on a fair basis—this being the affair of the trade union—the responsibility of the employer ends. He may practise philanthropy, but that is another matter.

But this market view of wages is not taken by everyone, and we have to oppose to it another standard. On the ground that labour is a personal service, it may be held that all who co-operate in the production of goods are, as persons, already in a relation of partnership with each other. All of the partners could await the dividend and share in the profit or loss; but some of them, who own capital, take on themselves the whole manufacturing risk, and discount the risk of the workmen by the payment of a fixed sum per week. On this view, wages are a discount value. It is the view taken by the chief American writer on profit-sharing, Mr Gilman, and it is often implied in economic discussion. M. Leroy-Beaulieu, the eminent French economist, defines wages as "a kind of insurance" against business risks. Mr Gilman argues that if work-people took, instead of a weekly wage, the chances of profit and loss, they would only have half a chance of getting the equivalent of average wages, and hardly one chance in ten of getting good wages, in view of the failures to which business is liable. And so he quotes the definition of employment as "an association *sui generis*, which one of the partners has entered only on condition of being in advance freed from the risks inherent in the enterprise, the part to fall to him being fixed." Wages are, on this view, the measure of a discounted risk; and the wage rate should stand at such a level—this again being the trade union's affair—that it affords an adequate insurance against the risks, and a fair compensation for the chances, of industry. There is assumed an implicit partnership in business, and we have to ask how far a further claim to share in realised profits will square with this view.

Are we not making a double claim? First, by asking a fixed discount instead of the risks and chances, and then a share in the chances when they turn up? Is it not like selling your ticket in a lottery, and then claiming a share of the winnings? Mr Gilman does not answer these questions; he bases profit-sharing on the need for variety, flexibility, and interest in work. This can be done by piece-rates; but profit-sharing is over and above payment whether by time or piece, and requires an economic justification.

I think that the ground for justification is broadly obvious when we reflect that the profits of firms vary between wide limits. If the wage is meant to discount the workman's risks and chances, ought not wages to vary, so that the more prosperous firms would pay more? Does not the practical need of a "common rule" deprive *certain* workpeople of a supplement which they ought to have?

We must distinguish two kinds of advantages which a firm may have, and which will appear in its profits.

There are competitive advantages, gained in the open market, often at the expense of other firms. Now, it has often been shown that, over a whole industry, all the capital *taken together* just about gets its living rate. Some gains, and some loses. But, in open competition, the *prospects* of capital are pretty nearly equal to the living rate; and if some of the capital gets more, and some less than this, that is no affair of labour; it is a question of division between the capitalists who have taken the risk. Provided labour has had its fair discount, it could not claim to share in competitive gains.

Indeed, if there were to be any sharing of competitive profits, which would be the truer "industrial chivalry"—to share with your own workpeople, or with the capitalists and workers who have gone down in the fight?

But there are advantages of a different sort, which may be called the *initial* advantages of a business. It is well-known in economic study that certain firms are so placed that what to others is only a fair price yields to them a surplus over all costs; it is the law of rent, and business is full of it. These initial advantages are of many kinds, and I need not classify



them. Some firms have a larger element of monopoly, some meet competition everywhere; some have water transit, while others must pay land rates; some have cheap power, others pay dear for it.

Now, on a partnership or discount view of wages, these rents have to be taken into account. For a business which, on any ground, goes into the market with initial advantages, and more than normal prospects, ought to discount its wages at a better rate; and it is just here that one gets hold of the economic claim of profit-sharing. A flat rate must have regard to the firm which has only the normal chances of open competition; and it ought to be supplemented, on this view of wages, where there are more than normal prospects.

And, in fact, we find that profit-sharing has succeeded best in sheltered firms, such as have special relations with the safe market of the co-operative stores, or an element of monopoly such as the gas industry possesses. Workers in such concerns have an equitable claim, which is not so easy to make good in firms which take all the risks of the market. Whether the supplement to wages in these favoured firms shall be paid out of profits, or by a higher rate, is for the employer to say; it may be that the exact value of initial advantages is most truly gauged out of profits.

I do not wish to decide here between the two views of the wage-relation that have been referred to. I have argued only that profit-sharing *as an economic right* rests on a partnership view of that relation, not on a purely market idea. In my own opinion, the social argument in modern times does imply more than the market theory of labour.

I come now to a second question. To what extent can profit-sharing, in any form, be used as a method for distributing wealth, without endangering the standard rate of wages? This question has historical importance at any rate, since at one time there was reason to fear that the standard rate would be lowered, either directly, or through the influence of profit-sharing on trade union organisation; as, for instance, in the early and well-known case of Briggs' collieries.

As to a lowering of the actual rate, I believe we have now

no ground for fear. The trade unions are too much alive for that to be possible; and most profit-sharing works have employees who are not in the scheme, but who will watch jealously the wage-rate alone. In fact, the greatest difference between the Board of Trade Reports on this subject of 1894 and 1912 is the disappearance of the argument about collision with the trade unions. In only eight cases in which profit-sharing has been given up was this due to a substitution of increased wages, shorter hours, or other benefits; and the causes of dissatisfaction have been from the employers' rather than from the men's side in the ratio of 59 to 4. Indeed, one has only to consider the scheme for a moment to see the unlikelihood of an adverse influence on the actual wage-rate. The bonus is always uncertain, for there may not be profits after all; it is paid as a single sum annually not as a short-period supplement to wages; and even when there are profits, it is conditional on the "reserve limit" of five per cent. to capital.

But there is the effect on the *real* wage to consider, if by extra effort on the part of the workers more work is got for the same wage. It is true that employers have always intended to obtain this "extra zeal" in return for profit-sharing. From the above discussion of the *right* to share in profits, it rather follows that, where such sharing is equitable, it should be independent of such a *quid pro quo*. It is one of the main points of the late Mr Schloss's criticism of profit-sharing that the extra zeal is certain, but the bonus is doubtful. But I think this could be set off against the fact that labour does not share in losses; the standard rate is insured against that, though in the case of one firm the employees have, quite voluntarily, twice made up losses out of their wages. I believe, too, that there is no evidence of "driving" in profit-sharing works; where there are piece-rates there would be little use for this, and the idea of each employee being a sort of unofficial foreman to check waste seems to me remote and fantastic. A 48 hours' week, with full pay at all times, is a labour ideal; it is realised in one firm at least, and that is the well-known profit-sharing firm of Thompson's, of Huddersfield. And at any rate, the method of profit-sharing could meet these objections *either* by giving

labour a proportion of profits independent of a reserve limit, as is done in some firms (a reserve limit being not quite in keeping with the "enterprise" idea of capital); *or*, by estimating the reserve limit on the average of a number of years, so that if labour under profit-sharing does create a further surplus it will obtain its share of it. It is not unfair that labour should obtain only a part of this surplus, since increased energy will apply to the machinery also; in the Oldham spinning list, for example, it is a trade union condition that *half* the advantage of extra speed goes to labour.

But will the real rate of wages not be adversely affected when, in copartnership schemes especially, the workers are attached to the firm by the conditions on which their shares are held, and any impediments to mobility or association with other workers in case of a general dispute? It is true that the first English economist to write on the subject hoped, as some firms did subsequently, that copartnership would be a substitute for trade union organisation. Special attachments would naturally be distrusted by unionism, in the view of which movement the workman's loyalty is due to his union first. There have been so few disputes in copartnership shops that one cannot give a historical answer to this. In the boot trade dispute, the copartnership men, with the approval of their union, remained at work, as there was no use striking for what they had already got; and, indeed, the conditions in their works could be used as a lever in bargaining with other works. It is the "sympathy strike" which would be impeded, when the union thought the stoppage of the whole industry was necessary to its plan. We are, however, endeavouring to perfect the machinery of industrial peace to meet such general disputes; and, in the second place, even in case of such a dispute, workers from copartnership mills would be an influence of moderation in the discussion.

I wish in conclusion to say a few words on Productive Co-operation. As profit-sharing looks forward to copartnership, so does copartnership to co-operation. Not every industry is open, in my view, to this system. But if the goods which are sold in the comparatively safe market of the Co-operative Union

were made by Productive Co-operation works, there would be a great extension of this working-class control of industry. The success of the works of this kind in the boot trade are the best reply to many theoretical objections as to the possibility of industrial self-government. I wish to deal with only one point. It is being shown that there is in the working classes the capacity for industrial government. So long as this could not express itself, the payment for direction went to another social class. As soon as this capacity obtained a sphere of expression, this payment began to go to working-people as owners and shareholders. The full standard of life implies that capacities for service shall get their chance and their remuneration. Fees which went to the few are now going, and for work done, to the many. This wider distribution of the profits of industry, in the field where it is possible, requires for its greater opportunity nothing so much as more working-class interest and support. In whatever final system all our industry may one day be absorbed, in the interests of the standard of life to-day we cannot afford to neglect present opportunities, which are based on proved capacities, and which should be in natural alliance with the established system of co-operative trade.

## LEGISLATION AND THE LIVING WAGE ABROAD

MISS MARY THERESA RANKIN, M.A.

THE most advanced legislation of what is commonly regarded as a socialistic type, is, as you know, to be found in our Australasian Colonies. In New Zealand and Australia, industry is to a large extent regulated by the State, through various systems of "compulsory arbitration." Should either employer or employed desire it, or the Government think it necessary, the hours of labour in any industry may be regulated, a legal or minimum wage fixed, and the number of apprentices or juvenile workers which may be employed, strictly limited.

Now, before describing to you the various methods of arriving at, and enforcing the "minimum" or "living" wage in these colonies, and what would appear to be the results of so doing, it is as well to consider the exceptional advantages the Australasian States possess for experimenting in social legislation. They are not like older countries whose present and future are largely determined by their past; and by their isolated position the Australian States differ from other new and undeveloped countries such as Canada, whose close proximity to the great industrial power of America makes the usages and customs of that Power forces to be reckoned with, and to which Canada must, perforce, to a great extent, adapt itself. For these and other reasons we are frequently reminded that the success or non-success of the minimum wage systems in Australasia affords no criterion to such a country as ours. This is no doubt indisputable, but at the same time there are certain tendencies and results of their legal wage, as a legal wage, and these are therefore of very great interest to us in helping us to form an opinion as to whether a legal wage is

a method of social amelioration generally advisable, and worthy of wide application. The ultimate good of all legislation can be tested, indeed must be tested, by the forces in human nature which it calls into play, and human nature in Australia is the same as human nature in Great Britain.

There was a proposal before Parliament here, a few weeks ago, that there should be a general minimum wage of about 30s. a week for all adult male workers in urban districts and something less for workers in country districts, according to the variation in the cost of living. Beyond the provision that no person can be employed in a factory without receiving at least, 2s. 6d. per week in the case of Victoria or 5s. in the case of New Zealand, there is no such general minimum in Australasia. Each industry has its own minimum, and these minima differ from £4 and £3, in the case of such highly skilled trades as engraving and printing, to £1 in such trades as jam-making, paper-bag making, etc. From this you will gather the principle of arbitration employed is of a somewhat elastic nature.

The main methods for the state regulation of industry are two. They differ to the extent to which wages and conditions are fixed by conciliation, *i.e.*, by the meeting and conference of the employers and employed concerned, or by arbitration, *i.e.*, left to the decision of a supreme court judge, holding the appointment of President of the Industrial Arbitration Court. The former, the more conciliatory method, by which each trade manages itself, is known as the Wages Board or Special Board System, and is best represented by Victoria. The latter, the Arbitration Court system, is best represented by New Zealand. The distinction between these two systems is not absolute. The Wages Board system has found it necessary to have a Court for appeals against decisions of the Special Boards, and the Arbitration Court system has found it advisable to adopt special Courts of Conciliation to which a dispute must first be referred before proceeding to the Arbitration Court. The difference between the two systems is, however, still real. In the Wages Board system the bulk of the regulation is done by

the Boards; in the arbitration system hitherto it has been done by the court.

Although in 1901, New South Wales, and in 1902, Western Australia, adopted arbitration systems, based on that of New Zealand, and in 1905 Wages Boards began to be formed in South Australia, until 1908 at least the observance of the legal rates and conditions in these three States was intermittent and mainly nominal. The first Wages Board Act in Queensland was passed in 1908, and in Tasmania in 1910. Therefore, although all the Australasian States do now attempt to regulate industry, the clearest examples of the practical application of the principle of the "living wage" are to be found in New Zealand and Victoria, and it is to these two States that I would confine your attention.

The immediate origin of the New Zealand Arbitration Act was the great Australian maritime strike of 1890.

In this strike Australian unionism first tried its strength and was ultimately utterly defeated. The faith of unionists in their social organisation as a means of bettering their position was shaken, and their hope became centred on political action. The general election of 1890 placed in power the Ballance-Seddon ministry, whose chief objective was the promotion of the interests of labour and of unionism. When in 1892 Mr Reeves brought forward the Arbitration Act under the title of, "a Bill to encourage the formation of Industrial Unions" the Act was welcomed, as a New Zealand writer has described it, as a "message from Utopia." It was not, however, until 1894 that the Bill was passed by the Upper House.

The general provisions of the Act which have been amended and changed from time to time, are—that societies consisting of three or more employers or of fifteen or more workers may be registered and become subject to the provisions of the Act under the title of Industrial Unions. Any such registered union may bring a trade dispute before a Council of Conciliation, and, failing agreement there, the dispute is carried on to the Arbitration Court. A trade dispute may concern any matter whatsoever concerning which a difference has arisen between employer and employed, from the subject of wages or preference of

employment to unionists down to small technicalities such as whether customers still waiting to be attended to in a hairdressing saloon at closing time, are to be considered as "work in hand."

Before attempting to trace the effect of State control in New Zealand and Victoria there is one point which ought to be clearly realised, and that is—that the main prosperity of all the Australasian States lies not in the manufacturing industries but in the agricultural and pastoral pursuits, which are, as yet, unaffected by the various Arbitration Acts. Manufactures are a result and not a cause of general prosperity. Therefore, however restrictive of industry state control may tend to be in itself, there cannot but be some expansion in manufacturing industry so long as the promoters of the free, buoyant, and expanding agricultural industry must purchase in a protected and isolated home-market.

Now, during the 'eighties in New Zealand there was great industrial depression arising out of the agricultural depression and the low prices which were being obtained for wool and other staples in the European markets. Unemployment was general and widespread, and there was an exodus from the Colony of about 20,000 persons between the years 1885 and 1890. The scarcity of employment for all drove women into the acceptance of lower and lower wages, and what is called sweating appeared to have secured a hold in the Colony. A Sweating Commission was appointed in 1890, but by that year conditions had so far improved that the majority of the Commissioners were able to report "that the system known in London and elsewhere as 'sweating' which seemed at one time likely to obtain a footing in some of our cities does not exist." Mr Aves in his Report to the Home Office in 1908, says, regarding "sweating" "Legislative action in New Zealand appears to have been largely preventive rather than curative in aim." Therefore, although the plea put forward by most unions in asking the Arbitration Court to grant an increase in wages is, that the rate already received does not constitute a "living wage," what is meant by "living wage" is not in most cases what is generally understood by that term. By a living wage



we usually mean a wage which ensures to the earner the necessities of life. It is of course becoming more and more difficult to draw the line between necessities and luxuries, but it can be done, and, moreover, it is the business of a State such as New Zealand, to do it, but as I said before, some members of Parliament here the other day seemed to regard it somewhere in the region of 30s. a week. So that, when a unionist in New Zealand pleads that 50s. is not a living wage and demands 56s. or 60s., we may sympathise with his desire to better his position but we cannot honestly regard his case as a matter for legislative action. It is quite possible that a minimum wage may fall considerably short of a living wage, but in Australia and New Zealand the minimum wage is much more frequently above that standard. The minimum wage is the standard wage and it is based on as optimistic a view as the President of a Court or Chairman of a Board can be induced to take of the earning capacity of the ordinarily competent worker. Only the very most competent receive above the minimum, but if for any reason, such as scarcity of labour, differentiation in wages becomes at all general in any trade, this is made the basis for raising the minimum to the level of the wages of the better paid and more competent workers.

The effect of legislation in New Zealand has undoubtedly raised wages to their highest possible level consistent with the carrying on of the respective industries, but it seems almost equally certain that the rise in the cost of living has been to an almost equal extent. It has been estimated that wages have risen 23 per cent. and cost of living 22 per cent. Whether this latter fact is altogether caused by the former is another question, but the two facts are undoubtedly connected. I am aware this connection is frequently disputed, but the New Zealand Secretary for Labour, an ardent supporter of the Arbitration Act and the legal wage, reported officially in 1908:—"With all the benefits to the credit of the Act there is a certain vague disappointment experienced by many that it has not done more to give the worker greater industrial security and profit. It has not prevented, for instance, any slight increase in wages granted by the Arbitration Court being sometimes

taken advantage of by the employer as an excuse for an inordinate increase on the price of goods the worker himself has produced and which he, as consumer, has to purchase." In a later report (1911) the Secretary, when considering the attractiveness of New Zealand to emigrants from Britain, concluded, that although the wages of a skilled worker might be higher in New Zealand than in Great Britain the difference was balanced by the higher cost of living in the Colony.

Whatever may be the reason, the fact remains that although New Zealand has been called the "Paradise for Labour," Labour is far from satisfied with its position. In the first years of its existence, the Arbitration Court was, perhaps naturally enough, occupied in raising wages, and Labour was entirely satisfied. But of later years the Court has had to refuse further concessions and to indicate that the rise in wages cannot go on indefinitely. The result is that the allegiance of the unions to the Court is now considerably weakened. It was stated by a New Zealand correspondent in the special Australian number of the "Times" of May 24th, "that although the first twelve years of the Act witnessed but a single strike, the last six have seen no less than sixty-two, a considerable proportion of these being in defiance of the law. This antagonism to the Arbitration Act is partly the effect and partly the cause of the steady growth of aggressive socialism in the counsels of the Labour Party. To the revolutionary socialist the Arbitration Court is anathema as an instrument of bondage, a prop of the capitalist system." But in a State such as New Zealand where so much has been done for labour, there is little excuse for a Syndicalist attitude. It is difficult therefore to avoid the conclusion that so wide an application of a high legal wage has not been conducive to a more reasonable frame of mind or higher moral tone among the unions of workers. I have not time to go fully into this question, but the force of evidence undoubtedly is that the standard of efficiency among the employees of New Zealand and Australia has markedly deteriorated. In the Canterbury Employers Associations' Year Book for 1912 it was stated—that the amount of added value to every £100 spent in wages and material in twelve representative

industries in New Zealand for the years 1900-1905 was as follows :—

In 6 employing 25,240 hands the amount	
fell from . . . . .	£30 to £18, 5s.
In 5 employing 5950 it rose from . . . . .	£25 to £46
In 1 employing 2780 . . . . .	It remained stationary.

As regards the two leading secondary industries of the Commonwealth of Australia it was estimated for the years 1909 and 1910, that in the first industry the added value to £100 had fallen from £27 to £16, 6s. and in the second industry from £34 to £17, 8s. The same two industries compared in another way show that the output per hand per annum has fallen from—

- (1) £295 in 1909 to £225 in 1910,
- (2) £300 „ „ £252 in 1910.

Regarding the above figures it is of course difficult to know whether we are in reality comparing merely the fall in efficiency, but I shall just again quote from the New Zealand writer in the "Times" of May 24th. "What about the Labour party of to-morrow? The Labour voter's mind is trained chiefly through his work. If he has been trained to work smartly and accurately, his thoughts are likely to be quick and logical. Of such quality are the best Labour leaders now; they err often from insufficient knowledge, rarely from confused thinking. But the workman who is trained to slow and casual styles of working will think as slowly and as casually. And it cannot be gainsaid that one effect of the new industrial conditions—the minimum wage, the discouragement of piecework (because a study of American magazines seems to show it leads to 'speeding'), the easily arranged dispute directly an incompetent workman is turned away—is to take from the young artisan several of the old motives for doing his job quickly and well." It is openly recognised in Government reports that the coming generation of workers is in the main incompetent. (Cf. Victorian Commission Report, 1900-02, Report of Apprenticeship Conference, 1907), but it is not sufficiently recognised

that the amount of depersonalisation which the minimum wage system has introduced into industry makes the old system of indentured apprenticeship quite inapplicable. If wages are kept at the highest possible level there cannot be the same "give and take" as formerly, and it would seem that since the State says a certain wage must be paid it will be left to the State to produce workers who can earn it. That burden can no longer lie upon the employer.

For an example of the effect of introducing a legal wage into a sweated condition of industry we must turn to Victoria. From 1886-1890 in Victoria was a period of over-speculation and excessive inflation of values. Readjustment without collapse was impossible, and the spring of 1893 was a time of financial panic. Nine of the associated banks failed and a number of other financial institutions suspended payment, and the panic extended to New South Wales and Queensland. The effect on the conditions of employment in Victoria was lamentable, and as is always the case at a time of general unemployment, the supply of female labour increased and wages fell to a very low level. A Sweating Commission was appointed in 1893 and the result of its inquiries was the introduction into the Factories Act of 1896 of a provision for the formation of Wages Boards in six sweated industries, viz. boot, furniture, bread, clothing, shirt, and underclothing. Power was given to the boards to fix hours, rates of wages, and the number of juvenile workers. The effect of the introduction of a legal wage into these trades varied according to the following conditions :—

- (1) The cause of the greater relative depression in the trade.
- (2) The depth of the depression.
- (3) The point at which the legal rate was fixed, *i.e.* relatively high or low according to the circumstances of the trade.
- (4) The supply of labour in the trade.

The boot trade was suffering from a period of over-production and attraction of excessive numbers to the trade. The processes of the trade were in a state of revolution and transition owing to the invention of new machinery in America. The

supply of labour in the trade was very large, and the Board made the great mistake of fixing the minimum rate higher than the trade could possibly afford. The result was somewhat disastrous. In spite of much evasion unemployment in the trade increased. Only the most competent workers could obtain employment and the Commissioners of 1900-02 reported that the older and slower worker had dropped out of the trade. This gives very little indication of the misery and privation that was caused by the legal rate, but some idea of it may be gathered from the Report of the Chief Inspector of Factories in 1898. The opening of inter-State free trade in 1900 enabled this trade to recover itself to some extent, and the exports which had fallen from £48,213 in 1897 to £45,823 in 1899 rose to £65,462 in 1901, but as was pointed out by Mr Aves (Report to Home Office, 1908) "had it not been for these new extra-Victorian markets the time of dissatisfaction and complaint would have been prolonged." The Report for 1911 shows the boot trade to be in anything but a flourishing condition and to be needing further protection. The percentage of female employees in this trade has risen from 38 per cent. in 1897 to 66 per cent. in 1911.

The cause of depression in the furniture trade was the under-cutting of prices by the Chinese manufacturers, made possible by the long hours and low rates for which the Chinese employees worked. There was no great surplus of labour in the furniture trade, but here also the result of the legal wage was the dismissal of the older and slower worker. The number of these was smaller than in the boot trade, and the injustice here was not so marked. Neither then nor since, however, has the legal rate had any effect on the supposed real cause of sweating, namely, the Chinese competition. The Chinese successfully evade the law, and although the inspectors find it impossible to get conclusive evidence for successful prosecution, they are under the impression that the Chinese only pay and receive about half the legal rate. The result of the Special Board in this trade has undoubtedly been to give the Chinese a firmer hold in the trade and, to quote an inspector's report, "it is customary to write of the European portion of the trade in

a very minor key." In 1908 one large firm was reported to be fitting up an extensive plant with the hopes of employing 50 to 100 men. The Report for 1909 describes the result of this enterprise. "The firm I alluded to in my last year's report has managed to keep 20 hands going, but it is found to be very costly; some of the best cabinet-makers and also machinery are employed, and yet it is difficult to show a profit. They have sold all their stock of Chinese furniture."

As regards the bakers' trade, so long as any depression remained, the legal rate was simply evaded. The evidence before the Commission of 1900 was that not three out of sixteen shops paid the legal rate, and the Commissioners decided that the rate fixed for ordinary and inferior journeymen is not honestly and faithfully carried out in a very large number of cases, and that with such persistent collusion between employer and employed the Government is powerless to enforce its commands.

The real success of the wage boards, in time of depression and sweating is, however, regarded as lying in the women's trades, the clothing, shirt, and underclothing trades. The experience of these boards is certainly extremely valuable. During the years of depression, 1893-1896, the flow of women workers into the sewing trades increased at a rapid rate, and the keen competition for work reduced wages to a very low level, at least in the less skilled portions of the trades. In the clothing trade by 1896 the home-worker had almost wholly displaced the factory-worker, and the average wage earned in many cases was about 12s. 6d. for a week of 80 hours' work. The Board fixed the minimum at 20s. a week of 48 hours, and piecework rates were fixed which worked out at a somewhat higher rate, chiefly because the Board had no idea of the amount of work which would be demanded inside the factory at the minimum of 20s. (Some idea of the discrepancy between the two rates can be gathered from the evidence given by a "presser" before the Commission of 1900. This lad was employed as an apprentice presser and received a time wage of 12s. 6d. a week, whereas according to the piecework rates the work he did was worth 10s. a day.) The immediate result

was an almost complete reversion to the factory system. This brought about an appreciable advantage to those who could go inside the factories, but it operated very harshly on the home-worker who could not do so. The chief lady inspector reported in 1897, "the Board had fixed the piecework rates on a basis rather higher than the minimum wage of 20s. per week. The consequence was that it became quickly apparent that the manufacturer who paid the minimum wage could in many lines undersell the manufacturer who paid piecework rates. The out-workers or workers in their own homes could obtain very little work and many none at all, since the Act provides that only piecework rates can be paid to persons working in their own homes. Cases of great individual hardship have thus arisen from the stoppage of outwork, and as the Act was intended to benefit these persons who are generally widows with children to support or wives with sick husbands, this result was a great disappointment to the Department." One can be pardoned the somewhat cynical observation that the disappointment to those home-workers who under a promise of betterment in their conditions found their mean of livelihood taken from them, must have been even greater than the disappointment to the Department.

The underclothing and shirt Boards had not as yet fixed their legal rates, and as these trades always had been in the hands of the home-worker and were now the refuge of the home-workers driven out of the clothing trade, the Department realised that if high rates were fixed in these trades, the work here also would be done inside the factories and a great deal of suffering and privation would ensue. The inspectors impressed upon these two Boards the danger of fixing too high a rate. The result was that a minimum of 16s. a week was fixed and piecework rates that enabled the home-worker of average capacity to earn 4d. an hour. The inspectors expressed themselves as highly satisfied with the result of the legal rates in these, which were considered the two most sweated trades. Many instances are said to be known of a considerable increase in wages, but a comparison of the average wage returns before and after the legal rate came into force shows very little varia-

tion. Not until 1908 was there an increase of more than 1s. per week in the average wage in the underclothing trade, and the same is true of the shirt trade. In fact as regards the latter trade the average wage in 1902 was 2d. less than it had been in the so-called sweated years of 1896 and 1897. It is of course true that the full improvement to the workers cannot be traced in wage returns alone; the hours worked were undoubtedly shorter. But, at the same time, it is only in these two trades that the legal rate in time of depression did not cause considerable misery to those in any way handicapped, physically or by circumstance, in the struggle for their daily bread. The reason for this seems to lie in the fact that these trades benefiting by the experience of the clothing trade did not try to force a legal rate much at variance with the rate actually in existence. Had they done so, the processes of the trade would have been revolutionised, machinery introduced, and the factory system. Some, the young and competent, would have benefited, but the condition of the sweated worker would have been more miserable than before. There is little doubt that a good deal of the satisfaction expressed by the inspectors at the work of these two boards may be attributed to the relief that was felt that the experience of the clothing trade had been avoided.

What I therefore gather from the experience of Victoria in its attempt to introduce a legal standard wage into depressed or sweated industries is this—that the deeper the depression and the larger the supply of labour in industry, the more harmful is the introduction of such a legal wage. At such a time it operates entirely in favour of the most competent worker by excluding the less competent from competition. Far from introducing any protection to the latter it leaves them more than ever at the mercy of the higgling of the market and in a much worse bargaining position than before. It was not until the revival of trade that the position of the really sweated worker was improved, and the experience of the old, slow, and less competent workers in the boot and furniture trades and of the home-worker in the clothing trade until that revival, makes very sad reading.



Permits to work at less than legal rates may be issued in a limited amount to such workers, since 1900, but employers do not care to employ permit holders, partly because of the increased inspection and trouble which ensues, and the workers themselves shrink from labelling themselves as incompetent and prefer to drift into a less skilled trade.

But if a minimum wage is ever to be applicable it must be so in sweated industries? This is true; but it seems it must with care be fixed at its lowest. It must really be a minimum; it must not exclude the older and the slower worker who have as much a right to work as any other. The principle of the minimum or living wage may in practice be of the nature of a two-edged sword. From being a principle for the protection of the weak, it may turn out to be a method for the "survival of the fittest." The "survival of the fittest" may be one kind of Socialism, but it certainly is not Christian Socialism.

The Wages Board system now includes considerably over one hundred Boards, and the original motive of sweating for the formation of a Board has long been superseded. Practically any occupation that so desires it can have a Board to regulate its hours and wages and percentage of juvenile labour, and full advantage has been taken of this by highly skilled and organised trades. The Wages Board system is not based on unionism, and this may account partially for the better relations existing between capital and labour in Victoria than in New Zealand. The Wages Boards have no jurisdiction over such vexed questions as preference of employment to unionists. The Wages Board system has undoubtedly secured industrial peace; there has only been one strike under the system and that was not against the decision of a Board but against the Court of Appeal's change in the Board's decision. Apart from this difference the effect of a high legal wage being secured to the workers without any special effort on their part to deserve it, is the same in Victoria as in New Zealand and has resulted in deterioration of efficiency. I have dwelt already on the effect of depersonalisation of industry on the training of the younger workers, and pointed out that through the State having assumed a certain amount of responsibility it will be asked to assume more.

Another aspect of this depersonalisation can be gathered from the remark of a Victorian employer, "Every factory used to have its old workers ; now these have to go." The two-edged nature of the Australasian minimum wage system again makes itself apparent. It is a system under which economically there is demanded a higher or at least a definite standard of efficiency, yet in its nature it tends to produce one comparatively low.

I have, perhaps, dwelt too much on the disadvantages of Legislation and the Living Wage Abroad, but the advantages are obvious enough, and it is just as well for us to realise the price that has been paid for their attainment.

## MINIMUM WAGE IN PRACTICE

J. J. MALLON, *Secretary of the National Anti-Sweating League and of Workers' Representatives on all the Trade Boards so far established.*

THE figures of the recent Board of Trade Enquiry into Hours and Earnings of Work-people may, so far as women are concerned, be thus summarised: in every trade in which women are numerously employed, a considerable section of them receive less than 10s. for a week of full employment, and in many, large numbers earn as little as 7s., 6s., or even 5s.

To state these wages is to condemn them. By general agreement, they must be soon and considerably improved. The question is one of method. How can improvement be brought about? Really, there is only one way.

Trades Unionism for women has, no doubt, a bright future, but no one aware of the facts of the case can expect any immediate miracle from its operation. The low paid woman has no copper to spare for Trade Union membership, and she is still poorer in courage and in the qualities that make for effective alliance with her fellows. Such feeble organisations as are possible to sweated women are, unaided, capable of little. Society, which suffers from the reflection of their misery, must come to their aid. It has already begun to do so.

In 1909 the Trade Boards Act was passed through both Houses of Parliament without any opposition. The Act applied, in the first instance, to four trades, and may be extended to others in which rates of wages are "exceptionally low." In trades within the scope of the Act, Trade Boards, composed of employers and of workers with a number of

“Appointed Members” who may be regarded as representing the Board of Trade and, through them, the community, are to be established.

The powers possessed by Trade Boards are, within narrow limits, of capital importance. They have to fix minimum rates of wages, and, afterwards, to take prescribed steps to ensure that the minimum is enforced. We are to survey the work done by these several Boards, and may begin by considering certain general questions which at the outset of their task they had to determine. The Act instructs the Boards to fix rates, but, unlike the Miners Minimum Wage Act, lays down no principles for the fixing. The apparent bases of a minimum rate are two. The Boards might consider solely the cost of the commodities necessary to a minimum of well-being for the workers for whom wages are fixed, or, alternatively, the amount of well-being that the particular trade can afford. Both bases are open to criticism. If one talks about well-being, one has to define what one means. Is there anything harder than to affirm a standard of well-being generally applicable to great populations? Working on these lines, one of two courses would be taken. Either the standard of life or well-being would take note of æsthetic and spiritual needs and be regarded as visionary and unattainable, or, it would ignore these very necessary elements in human existence and be based on meagre animal requirements. If we prefer the other basis and think of what the trade can bear, it may appear that the worst sweated trades can bear least. Thus they will escape lightly and be encouraged in their low payments and inefficiency.

It is a good point of the Trade Boards Act that it permits one to dispense in these matters with too strict logic. In practice, representatives of workers on the Trade Boards demonstrate their need for higher rates of wages, and the employers their inability to concede them. The Board, as a whole, takes both pleas into account, and aims to do the best that it can.

A second question is that of the relativity of the rates fixed for male and female workers. Objection has been taken to

the different time rates fixed by the several Trade Boards, for men and for women, and, it is urged, that herein there is unfairness to the latter. The objection is not of moment. In the few processes in which the Boards found that men and women did the same work, the output of the man was substantially greater than that of the woman, and it seems to follow that the application to both of a single time rate must have led inevitably to the preferment of the man. The real interest of the sexes in regard to rates of wages is not in conflict with the policy of the Boards. That interest is served by the employment of both on the same *piece* rates, and wherever a Trade Board has jurisdiction, that consideration, by the workers' representatives at least, will be kept in mind.

A third point has to do with geography. Should the rate be fixed to vary from district to district, or be the same everywhere? If the principle of variation be accepted two bases for it are possible. The Boards might have regard to the cost of living in the several districts, or, to the levels of wages that are found to prevail in them. Though possible, neither basis is satisfactory. A rate based upon cost of living would be higher in Norwich than in Manchester; a rate based on existing levels of wages, lower in London than in Leicester. Other practical objections to differentiation of rates were plentiful, and finally, on the Boards where the question arose, a single rate was fixed for the whole country. The decision of the Boards has this further justification. The rate fixed is a *minimum* rate. On top of it the forces that have determined the relative levels of pre-Board wages, will continue in activity, and the universal minimum co-exist with differences, possibly wide, in the totality of wages paid in different districts to equal numbers of workpeople.

Having disposed of these general considerations, let us pass to a survey of the details of the work of the different Boards.

The Act was applied, in the first place, to certain kinds of Chain Making, Lace Finishing, Paper-Box Making, and Wholesale Tailoring: trades differing greatly in their scope and circumstances. The two first named trades are small and

carried on chiefly by home workers employed respectively at Cradley Heath and Nottingham. The other trades are widely dispersed, and the home workers in them, though numerous, are but a small proportion of the total number of employees.

As to foreign competition, each trade has its own story. Chain making is substantially free of it ; it troubles Wholesale Tailoring only in regard to the cheaper qualities of clothing exported to neutral markets ; it is said in the Box Making trade to be increasingly serious in regard to "folding" or "collapsible" boxes ; while in Lace Finishing, it is of undoubted severity, and may be charged with much of the harassment and loss which in recent times this industry has had to bear. In short the trades are varied and contrasted, and no problem likely to be encountered in other trades is absent from them. They thus afford a definitive test of the possibilities of the machinery of Trade Boards.

*Chain Making.*—The Chain Trade Board, which was the first established, had not to do with the factory chain makers who have been for a generation organised and relatively well paid, but only with those employed in the small workshops and domestic forges whom organisation had failed to reach. Figures of the earnings of these workers prior to the Trade Board, are not officially recorded, but evidence is available as to the old piece rates on which it is common knowledge women making "slap" chain would rarely receive more than 1d. or 1½d. per hour. The revision of these rates was the real task before the Board, and the agreement on a time rate of 2½d. per hour was only of importance as affording a basis for the revision. How anxiously did Cradley await its new prices. At meetings women listened with painful intensity for the declaration of the rate which was to apply to their own class of work, and when it came, greeted it with exultation, tempered by a fear born of many previous disappointments. It was, they said, "too good to be true."

The change wrought by the Board can best be illustrated by certain concrete cases which are here given :

Size of Iron.	Old Rate.	Rate fixed by Trade Board.
$\frac{11}{32}$ , commonest . .	4s. 3d. a cwt.	6s. 3d. a cwt.
No. 3, „ . .	6s. 6d. „	11s. „
$\frac{5}{16}$ , „ . .	4s. 6d. „	6s. 9d. „

The net increase is really considerably greater than appears from the above figures. Take, for instance, the first named chain of which a woman of ordinary capacity can make 2 cwt. in from four to five days. She would thus at the old rate earn 8s. 6d., but from this sum payments totalling 2s. 6d. were made for fuel and rent of forge. Now the same exertion produces 12s. 6d., from which the subtraction is as before: thus the net wage of the worker is raised from 6s. to 10s. The figures quoted represent the average of increase. In an extreme case the improvement in net rates amounted to as much as 150 per cent.

Very remarkable were certain incidental effects of the Board: notably the organisation of the workers. Within a few months of the passing of the Act, what had been attempted in vain for a generation, came to pass. All the Cradley Heath women became Trade Unionists, and their present happy position is this: that while their organisation is sufficiently strong to force, if need be, a further increase of wages, the Trade Board is sufficiently satisfied with the state of the experiment, to propose an increase of ten per cent. itself. With regard to enforcement of the rates there has never been serious difficulty. An early tendency to evade led to a prosecution in which a local chain master was fined £34. The taste for evasion, chilled in its beginnings, has not since revived.

If one should now revisit the homes of Cradley Heath workers who knew them only in their lenten days, he would mark with astonishment the altered mien and spirit of the place. Hammers are plied with the old vigour, but with a zest that is new. The tension is sensibly relaxed. Talk flows more noisily about the forges, and it is more bouyant talk broken more frequently with laughter as the sparks fly. The women are proud of their organisation and secure in the

strength it gives them. It is indeed a momentous change, and it has affected more than the chain workers. For taking infection from them, the "hollow-ware" workers of the Black Country, many of them receiving as little as 7s. a week, struck twelve months ago for a modest minimum of 10s., and obtained it, and now a minimum of the same lean kind has been fought for and won by the brick makers. These steps are but a beginning. A new spirit is stirring in the Black Country where, encouraged by the progress of the chain workers, all the women are crying out for organisation, for Trade Boards, and the alleviations they can bring.

*Lace Finishing.*—The second trade is a more troubled story. Unlike chain making, carried on in a compact semi-rural area of fixed and uniform social conditions, the setting of the lace industry is in an ancient town of large and diversified population, some of them exceedingly poor. Husbands of women chain makers are generally chain makers themselves, and their earnings, if sometimes low, are not irregular. Husbands of lace finishers may be anything: skilled men of good character and satisfactory rates of wages, or, on the contrary, hawkers, casual labourers, or ne'er-do-wells. Whereas, therefore, to some of the lace finishers their employment is but a source of supplementary income, to a majority its trivial operations are a means of livelihood for dependents as well as themselves. Many of these poorest workers are consequently to be found in the least reputable of the Nottingham streets where they live in circumstances of very great dearth, anxiety and squalor.

The intermediaries, too, are less satisfactory than at Cradley Heath. They number perhaps seven hundred, and, taking lace work from the warehouses, distribute it among multitudinous neighbours, re-collecting and returning it when finished. The middlewomen are of many kinds; some have been just and fair dealing, while others, before the Trade Board was set up, were guilty of taking for themselves as much as 50 per cent. of the total payment made by the warehouse. Others had become the lenders of minute sums of



money to their workers, on which they charged heavy interest, while still others were the proprietors of small shops where, it is said, their employees were compelled to deal, but where they often failed to get full value for their money.

It will be obvious that, in these circumstances, much wrong was done to the poorest of the women, some of whom, when hard-pressed by a middlewoman and given work of low quality to finish, might win only three or four coppers in a whole night of toil. When it is added that the minimum rates in Nottingham were launched in a season of unprecedented bad trade, and that their administration was prejudiced by entanglement with the intricate and locally unpopular Insurance Act, the difficulties connected with their enforcement can be imagined. Take it for all in all, machine lace finishing was probably the most unpromising trade to which, at the present time, wage fixing machinery could be applied. No-one, therefore, will be surprised that the triumph of Cradley Heath has not been repeated; but time rates and piece rates calculated to yield the ordinary worker  $2\frac{3}{4}$ d. an hour have been fixed, and it is gratifying that, though hard pressed by competition and the present stagnation of the industry, some of the employers and middlewomen have been the staunch and consistent friends of the Trade Board and are at this moment assisting in a joint effort with the workers to stamp out such evasion as occurs. But in this trade the piece list is less above reproach than lists compiled by other Boards, and there is evidence to show that on certain of the better qualities of lace, the old prices have been somewhat reduced. A cure for this may be found in an exacter piece list which, it is hoped, the Trade Board will soon compile. In the lace finishing trade also an increase of the rates is under discussion. Promised for a year ago, it has been withheld in deference to representations from the employers as to the state of trade. In a good season, relieved from their present anxieties, the best houses would probably accord it without demur.

*Paper-Box Making.*—A young, rapidly developing and widely dispersed trade, Paper-Box making consists of two main branches, one of which, "plain," is within the purview of any-

body who is neathanded, while the "fancy" branch calls for some little artistry. In the making of plain boxes, machines now play a considerable and ever-increasing part with the effect of progressively diminishing the need for training or intelligence among the workers. A "corner staying" or "wire stitching" machine can be tended, albeit at some little risk to herself, by a child, and, one or two processes excepted, there are in this trade no machine operations that are not simple in character.

The wage conditions of such an industry can be imagined. "Fancy" workers have been relatively well paid. "Plain," unless gifted with unusual deftness, have fared indifferently. Workers on machines especially have been often "sweated," and in this branch certain firms have made an undue use of juvenile labour, paying it little, teaching it less, parting with it as soon as the wages it asks exceed those at which a more docile supply, fresh from the schools, can be procured. Unhappiest of all have been groups of home workers who are plentiful in London and Birmingham. Piece rates for home-work are generally the same as for work done at the factory, but the home worker must provide her own sundries such as glue and paste which, when a full week is worked, may involve an outlay of 1s. or 1s. 6d.

At the inception of the Board, official figures of wages for paper-box makers were not available, but a voluntary census taken by the employers indicated the existence of three grades of female workers represented by figures of 8s. 6d., 11s. 6s., and 15s. Since the minimum rate was fixed, the Board of Trade has published the result of its enquiry into wages in 1906 which is summarised below.

Wages of women (over 18) employed in cardboard, canvas, etc., box manufacture :

Receiving under 8s. a week	.	.	7 per cent.
„ 9s. „	.	.	14 „
„ 10s. „	.	.	24 „
„ 11s. „	.	.	34 „
„ 12s. „	.	.	50 „

The discussions on this Board were prolonged. The representatives of workers strove hard for a minimum rate of  $3\frac{1}{2}$ d. an hour, the employer offered first  $2\frac{1}{2}$ d. and then  $2\frac{3}{4}$ d. The demand of the workers was entirely reasonable. Paper-box making has its seasons, and, these apart, there is occasional slackness to take into account. Making necessary allowances, it appeared that week in, week out, a minimum rate of  $3\frac{1}{2}$ d. would afford something less than 14s. a week: surely, as the workers contended, not too much for the maintenance of an adult human being in a great city. The employers' reply was based upon the alleged conditions of their industry. It emphasised foreign competition, the tendency of traders if prices rose to relinquish boxes for some other method of packing their wares and, for a reason that will be developed later, the fact that a majority of the workers were paid by "piece."

In the end a rate of 3d. an hour was fixed (equivalent to a minimum of 13s. for a week (52 hours) of full employment), all too little as the workers believed but, as will be seen, appreciably better than the pre-existing minimum, if indeed it can be said that any pre-Trade-Board minimum existed at all.

*Ready-made and Wholesale bespoke Tailoring.*—The number of workers engaged in wholesale tailoring as above described is hard to estimate since the trade grades into others which are without the scope of the Act. That it includes a quarter of million workers is probably not an over-estimate, and the complexity of the trade is commensurate with its scale. Wholesale tailoring is indeed a congeries of trades having little in common except a name.

Firstly, there is "retail sub-divisional bespoke" in which by division of labour methods clothing is made to the customer's order, but on his own premises, by the trader to whom the order is given. Secondly, "wholesale bespoke" in which orders separately received are forwarded by the trader to "sub-divisional" workshops, or power driven factories. Thirdly, "ready-made" clothing manufactured in bulk in factories and purchased by shopkeepers for purposes of

"stock." Fourthly, a lowest grade of clothing which factory owners give out to sub-contractors who in turn distribute it among home workers in their districts.

The Tailoring Trade Board for machining and finishing had to take note of the conditions in all these grades and varieties of industry. On the face of it, it may seem that they should have fixed several minimum rates, but in practice the intertangement and overlapping of the different kinds of trade made the fixing of more than one undesirable. What should be the amount of the single rate? Workers' representatives on the Board naturally desired it should be high, but a very high rate might have embarrassed the low grade trade and also that carried on in country districts, and as a further ill consequence might have retarded the development of Trade Unionism in the industry. After prolonged discussion a rate of 3½d. an hour yielding in a week of full employment 14s. 1d. was decided upon. Unquestionably in one of the greatest of women's trades in which, even in the lowest branches there is demand for dexterity and skill, this rate is much lower than it ought to have been. But it is as clearly a substantial improvement on the rates that prevailed before, as to which we may compare the figures of the Board of Trade enquiry already alluded to.

Wages of women (over 18) employed in the Wholesale Tailoring Trade :

Receiving under 8s. a week	.	.	.	10 per cent.
„ „ 10s.	„	.	.	24 „
„ „ 15s.	„	.	.	70 „

Thus the minimum rate is at least equal to the previous average and substantially above that received hitherto by a majority of women tailoresses.

It remains now to point out certain important features of the minimum rates. One: the rate is fixed "clear of all deductions," in itself a substantial relief to home workers and others who, except when earning in excess of the minimum, are now free from having to bear the cost of such sundries as silk and

cotton, or in the paper-box trade, paste and glue. Two : the Trade Board, having made the minimum wage receivable by women of eighteen years and over, has been enabled to prescribe the conditions under which younger people shall be employed at lower wages. These young persons must in future be certified by the Trade Board ; they must be learners in fact as well as in name, and they must be employed in reasonable proportion to the adult workers in the same factory or workshop. A third point of importance is the position of slow or inefficient workers.

Prior to the passing of the Act the wholesale dismissal of the workers of lesser competence was urged as one of its certain consequences. Where the system of payment is by time, the slow worker problem will undoubtedly be one of some difficulty. But the trades so far dealt with under the Act are predominantly piece work trades, and in these the trouble is of lesser magnitude. For the provisions of the Act bear upon time and piece workers with different incidence. The time worker, unless given a permit because of "infirmity or physical injury," must receive not less than the minimum rate ; whereas the piece worker need not receive any specified sum. Piece rates under the Act are of two kinds. Either, as in Cradley Heath and Nottingham, they are fixed by the Board itself in which case no further question arises, or, as in the other trades, they are fixed by individual employers who must be able to show, if challenged, that on each of them an "ordinary" worker can earn at least the equivalent of the time rate.

The construction of "ordinary" worker is ultimately a task for the Courts. For the moment the Trade Board has decided to understand by the term a percentage of the workers engaged in any process of the trade. In paper-box making, for instance, it is required that any piece work operation must yield not less than the minimum rate to 85 per cent. of any group of piece workers. Such an interpretation has two consequences. On the one hand, a margin of 15 per cent. is allowed for the employment on piece work of persons of sub-ordinary capacity ; on the other, quick or extraordinary workers are entitled to a rate higher than the minimum in the degree of their special

aptitude or skill. In other words, where the minimum rate is, say, 3d. an hour, it is not necessarily an offence that a few piece workers earn less than the rate, nor is it necessarily compliance that every piece worker receives it. We shall best understand what is required if we imagine a hundred piece workers arranged in the order of their different capacities ; then the piece prices must be so fixed as to yield the minimum to worker No. 85 in the line, while of the fifteen slower, and the eighty-four quicker employees, the legal demand will be not for the precise minimum, but for such amount below or above it as corresponds to their comparative nimbleness and skill. This is the consideration to which allusion has already been made in connection with the paper-box trade, the manufacturers therein contending that though the Board was in appearance fixing a rate of only 3d. an hour, it was actually fixing very much higher rates for the bulk of workers employed.

There is, further, one other aspect of the fixing of minimum rates that needs to be developed in this paper, but it is the most important of all. How will such increases of wages as have taken place be met ? To such a question it is not possible to return any general answer for the conditions that affect it are different in each of the several trades. In the smaller trades where the bulk of the work is done by home workers, it is likely that the cost of the increases will be distributed between the employer and the middlewoman, and may finally be met by the exclusion of the latter from the trade. In the larger trades and generally in factories, the increase will come out of a fund created by better organisation and increased efficiency. Many illustrations based upon the experience of the trades at present under the Boards could be given of this. Perhaps two will suffice.

While the rate was in "partial operation" certain employers intimated to the Paper Box Trade Board that they had workers who were then unable to earn the rate, but with training and supervision might at the end of the period of partial operation become capable of doing so. The Board agreed that for the six months allowed by the Act the workers in question might receive less than the minimum rate. At the end of this period

It was found they had so profited by the care expended upon them as to be able, without difficulty, to earn the rate. In a second case, an employer, compelled by the Trade Board to scrutinise his factory, found that through lax organisation its workers were often kept waiting for work to their and his own considerable loss. Applying himself to the removal of this cause of waste he was soon able to provide for the steady and continuous employment of the workers, the outcome being substantial gain to them and, in at least an equal degree, to himself. Such cases could be multiplied indefinitely. In many factories and workshops for the first time methods and equipment are being overhauled with results at which many of the employers, not at the outset in favour of the Act, are pleased and astonished.

Finally, the organisation engendered by the Act should be further emphasised. In Cradley Heath practically everybody has joined the Union. Elsewhere the conditions have been less simple, and impediments to organisation more numerous; nevertheless, in all the trades, workers have felt the impulse to join together and they have organised more or less. Especially remarkable has been the growth of one Union in the tailoring trade which, from a membership of 3,000 at the passing of the Act, has sprung abruptly into considerable strength. In the month of June last this Union actually added 3000 members, and it is certain in the near future to become a powerful influence for good in the trade.

## WAGE MOVEMENTS IN OTHER COUNTRIES

MISS CONSTANCE SMITH

THE literary man, despised of the practical legislator, is not always an incapable observer of social movements. And this advantage at least he has over other observers: he can generally put the result of his observations into a portable form. Turning over the harvest of new books on the 18th century the other day, I discovered with some surprise that Horace Walpole also is among the prophets who have given their interpretation of industrial unrest. In 1762, it seems, there was a strike of the men employed in building his famous villa. Carpenters and cabinet-makers "downed tools," and Horace declared that he could not blame them. "The poor fellows, whose all is the work," he wrote, "see their masters advance their prices every day, and think it reasonable to touch their share." Impossible to state more neatly the modern industrial position.

I do not propose, on the present occasion, to examine the wage movements of the civilised world under all the widely differing forms in which they are at present making themselves felt throughout the social system of every country. That would be a task as far exceeding my powers as it would exceed the time which this school can give to one aspect of the great subject that has occupied you during your conference here. I shall confine myself to consideration of the position as it concerns the establishment of a legal minimum wage—that stepping stone, for many of the poorest and worst paid manual workers, out of the morass of inadequate payment, economic uncertainty and the inefficiency which comes of both, towards the firm ground on which it is possible to build up a secure and dignified industrial position.



To us, who have made our experiment in this direction, and in the light of the success attained, are moving forward to include within the scope of the Trade Boards Act a large new portion of the industrial field in which no standard wage has hitherto existed and some of the worst kinds of sweating have consequently reigned unchecked, the question whether Continental nations and our own Trans-Atlantic kinsfolk are or are not likely to follow our example, with such modifications of method as their differing needs and circumstances may seem to require, must necessarily be one of the deepest interest. The answer is not without importance even from the purely economic standpoint. For, although the arguments of leading English Tariff Reformers, such as Lord Milner and Mr Alfred Lyttelton, may be held to have disposed once for all of the fallacy, cherished by some of their less instructed followers, that sweating is the result of unrestricted foreign competition, yet it cannot be denied that, as the beneficent action of Trade Boards expands, we must expect to meet with cases in which the figure of the minimum rate may be conditioned by considerations due to the importation of articles manufactured under sweated conditions abroad. In the long run the better article—and the well-paid, well-fed worker will always produce the better article—is certain to beat the worser in the world's market ; we have seen this happen again and again in the case of industries where the difference lay, not between downright sweating and a living wage, but between decent remuneration and wages that could be called distinctly good. But the fears of manufacturers and the thrift of consumers will not always agree to permit such a fight to the finish as will secure the survival of the fittest, and then we get inadequate rates with their inevitable handicapping of the worker, his product, and the minimum rate system itself. On these grounds, therefore, we should desire to see all Governments of industrial countries tackling, each after its own fashion, this minimum wage question to which Great Britain has set her hand. But we desire it also for other and larger reasons. Setting aside those which are purely humanitarian and simply Christian, the day has gone by when

we can ignore, save at our peril, sources of weakness such as are created by the poverty and the disease and ignorance which confront us wherever labour is deprived of a sufficient reward for its exertions. Nations are not stronger, but weaker, for the misery of their neighbours, of those with whom they buy and sell and exchange ideas. If the world is to make that forward step in reason and judgment and brotherly kindness which shall put an end to the abiding terror of war and set free, to the profit of peace and goodwill and national prosperity, the energies and resources at present devoted to maintaining and strengthening armed menace on every frontier, the common will of our peoples must combine to that end. But such combination, born of thought, reflection, purpose, will never be the work of masses physically degenerate, intellectually inert, existing from day to day in pitiful uncertainty of themselves and the world they live in.

We ask then, and with some anxiety—what is the attitude of “other countries” towards this question which has so living an interest for us? The answer is not doubtful. It is one of increasing attention, and more, of growing activity. When we find, even in America, where the cult of individualism is still at its highest, and a rigid constitution renders State action in connection with wages peculiarly difficult, several State legislatures bringing forward Bills to fix rates for home-workers within the space of a single year, it is obvious that the movement is making such progress as should encourage the least optimistic and that there is no obstacle of feeling or prejudice which may be expected to stay its onward march. As to the rapidity of its advance, this will perhaps be best illustrated by a brief review of the conclusions reached at four successive biennial meetings of the International Association for Labour Legislation. The constitution of this body is probably known to the majority of those present, but for the benefit of any who have not come into touch with it I may mention that it consists of two parts—the International Labour Bureau having its seat in Switzerland, which collects and classifies and publishes the labour laws of all countries, and the Federation of National Sections whose object is the

promotion of improved labour legislation, which meets every two years. The delegates to this meeting represent all classes in the countries from which they come : round the tables of the Committees and on the benches of the General Assembly sit, side by side, Parliamentary representatives of all parties, ministers of different Churches, men of science and social reformers, University Professors and Trade Union Secretaries, for this Association takes no more account of creed or politics than of nationality in its discussions. Nor is the official element wanting. At the last meeting in 1912 twenty-two Government delegates were present in addition to the delegates of sixteen national sections. It will be seen, therefore, that this is a highly representative body, and it is doubtless its representative character which has enabled it to draft such conventions as those abolishing the night work of women and prohibiting the manufacture and importation of white phosphorus matches, and earned for it the honourable title of "The Laboratory in which International Treaties are made." Its progressive attitude towards the minimum wage question is therefore worthy of our attention.

When, less than seven years ago, the Association met at Geneva and discussed the position of home-workers, there was nothing before the meeting beyond mild proposals for improving the conditions under which home-work is carried on, and excluding certain dangerous trades from the list of permissible Home industries. We talked, indeed, of Wages Boards as desirable ; but we talked of them in corners and with bated breath. When one bold Scotswoman proposed to draft an amendment pointing out that wages were at the root of the home-work difficulty and that the Assembly, if it desired to find a solution, had better turn its attention to them, she was dissuaded from moving it : the rest of us saw or thought we saw that the Conference was not yet ready for such strong meat. This was in 1906. Only two years later, at its meeting in Lucerne, the question of a minimum wage for sweated workers occupied the greater part of the time of one of the five committees, and the Conference itself carried unanimously a resolution requesting the sections to urge upon their Govern-

ments the desirability of initiating experiments in Wages Boards on the pattern of those advocated in Great Britain. The Trade Boards Act was not yet in being. When the Association met again, after a further two years interval, it had been passed, and the question of Trade Boards had become not only so important but so practical in the eyes of the delegates that the working of the Trade Boards Act in Great Britain was one of the principle subjects of discussion, and a British delegate was appointed Joint-Chairman of the Home-work Commission expressly in honour of that Act. This was at Lugano. At Zurich last September the General Meeting was preceeded by a two days' conference dealing solely with home-work and the minimum wage, and a whole sheaf of Bills and Draft Bills for the establishment of Wages Boards in various countries formed the basis of discussion. So far had Continental and American feeling travelled in the space of six years.

Let us see how Governmental action in foreign countries reflects this remarkable change in the opinion of foreign social reformers. In the German Empire a Home-work Act was passed in December 1911. This Act deals mainly with conditions, and contains provisions intended to safeguard the worker against accident, overcrowding, injurious dust and fumes, bad ventilation and insufficient light, and the consumer (especially in the case of food stuffs) against infection or other injury to health. It also introduces the British system of Outworkers' Lists and the giving of written particulars of price with the work. Finally, the Act sets up Industrial Committees constituted on the lines of our Trade Boards, whose business it is to assist the State and the Local Authorities by furnishing both actual information and expert opinion as to the conditions of home-work in their district, including the amount of the wages earned, and their adequacy ; they may also submit suggestions for obtaining a better rate of wages by agreement.

They *may*. There is the rub. The Act is permissive, not compulsory ; and no obligation rests upon either State or Local Authority to accept the expert opinions formulated

by these Committees. Indeed, the whole Act is largely permissive in character, depending, as regards many of its sections, upon the initiative of the Federal Council or the Local Police to set its machinery in motion. Still, it represents a definite move in a certain direction ; and in a country like Germany, where State and Police are far more ready to use their power of initiative than is the case in Great Britain, we need not necessarily conclude that the new Industrial Committees will be without influence for good. They will at least help to prepare the public mind for the full-fledged Wages Board of the future. It is satisfactory that provision is made for the representation of women workers by women.

In France various Bills dealing directly with the question of the minimum wage have been introduced into the French Chamber during the past two or three years. In all cases they are applicable exclusively to home-workers : it is extraordinarily difficult to convince Continental reformers of the danger of attempting to legislate for the home-work branch of a trade only, where that trade is also carried on in the factory. Even the International Association has been hard to persuade, though in its latest resolution it gave a somewhat reluctant assent, by the way, to the soundness of the British contention on this point. There are reasons for this mental attitude. In France and Germany the home-work problem looms much larger than with us, both from the point of view of the number of individuals engaged in it and its trade importance ; and the difference between factory earnings and home-work earnings is usually greater everywhere abroad. The Bill which most completely covers the ground—and has no chance of passing—is the private member's Bill of the Comte de Mun, which is frankly framed on the pattern set by the British Board of Trade ; but even this is restricted in its effect to home-workers. The original Government Bill, while setting up a minimum wage in certain industries—those which we are accustomed to group together under the general title of the Clothing Trades—did not propose that this minimum should be fixed by a specially constituted Board. Instead, it took as the minimum the wage earned in the district by an

average worker not specially skilled, and proposed to penalise the employer or middleman who paid a worker anything below this figure. Thus the burden of proof was placed on the weaker party, for the worker was bound to complain either personally or by means of some friend, or Society, that she was getting less than the accepted minimum. Another grave blot on the Bill was the provision whereby administration was left to the district Committees of Counsel (*Conseils de prud'hommes*)—Committees consisting indeed of professional persons, employers and workmen, but not of professional persons necessarily acquainted with the particular trade or industry affected. This Bill, after many vicissitudes, has now been withdrawn in favour of a new measure (again only applicable to women and to home-workers) which is in many respects an improvement on its predecessor. In this Bill the Labour Boards, wherever they exist and, only failing these, the *Conseils de prud'hommes* are to act as Trade Boards for the Clothing Trades, and fix a minimum wage for women home-workers in each district, though their action will not be so free as is that of the Trade Boards under our own Act. Apparently the French Labour Inspectors will have power to enforce the payment of the minimum, but their position in the matter is not as clear as could be wished.

The Austrian Bill, although intended to apply only to home-workers employed in the Clothing Trades and the manufacture of boots and shoes, is a much more elaborate affair. Indeed, it goes into such bewildering administrative detail that one is inclined to fear it may perish of over-elaboration. In one feature it is ahead of the French Bill: it deals with the work and wages of both men and women. Under it are to be constituted Home-work Boards representing six different classes of employers and outworkers, to be appointed, according to their class, by different bodies, such as the Chambers of Commerce and Industry, the governing bodies of the Industrial Guilds and the Assistants' Committee of those Guilds. As originally drawn, the Bill did not contain any reference to wages beyond that dealing with the Boards' power to act as Conciliation Boards, with power to enforce collective agree-

ments. Now, however, it is understood that an amendment giving power to fix a minimum wage will be sympathetically received by the Parliamentary Committee whose task it is to shape the measure.

Two private members' Bills have been introduced into the Belgian Chamber. Both bear well-known names, the author of one being Leader of the Radical wing of the Liberal Party. This Bill applies to all home-work, while that of M. Verhaegen, a Catholic Deputy, deals with women workers only. In both the proposed minimum rate is compulsory and enforceable by penalties.

Except in Austria, all the measures alluded to, actual or potential, follow more or less faithfully, for a longer or shorter distance, the lines of the British Trade Boards Act. The United States, as we might expect, have struck out a line of their own. In Massachusetts a non-compulsory Minimum Wage Commission has been set up which, if it has ground for believing that the wages paid to men in any trade are, "inadequate to supply the necessary cost of living and to maintain the worker in health," must institute investigations, and if these prove inadequacy, then proceeds to appoint a Wage Board to fix a minimum wage. This Board, constituted on the usual lines, agrees upon minimum rates of wages by a two-thirds majority and reports to the Commission, which occupies, as a revising and sanctioning body, the position of the Board of Trade here. When the rate is finally approved, it is published, together with a list of the employers who fail or refuse to accept it. This list is printed in at least four newspapers. The Commission has no penalising power; it relies wholly upon the force of public opinion.

But minimum wage legislation in America does not stop short at this singular if interesting Massachusetts law. Oregon has set up an Industrial Welfare Commission with wider power than our Trade Boards, although its awards only apply to the labour of women and children. In the case of this Commission—which is not representative, the members being appointed by the Governor of the State—approval renders the rates fixed compulsory, and payment of less than the minimum rate may

be punished either by fine or imprisonment. Bills on similar lines are being introduced in Washington and California, and the Legislatures of Ohio, Pennsylvania, West Virginia and Wisconsin are considering measures of the same kind. The Oregon Act is said to be largely the outcome of successful agitation by the Oregon Consumers' League, which, in common with other such Leagues, is now taking a leading part in promoting, by legislation, ends which for a time they appeared to seek only by means of organised private demand.

Such is the record—no disheartening one to have been compiled in the space of four years. If the results of so much agitation appear as yet ill-proportioned to the efforts that produced them, let us remember the array of prejudice, the deep-rooted fear and dislike with which the champions of a legal minimum wage in such countries as France and the United States have to contend. The point of encouragement lies in this: that the agitation in its favour not only exists, but is spreading; that the little fire kindled in Australia in the nineties is already beginning to light country after country of the Old World.

To what shall we attribute the widespread presence of this movement in countries old and new (even in Persia the printers have started an agitation to establish a minimum wage!) in societies so dissimilar as those of Belgium and Massachusetts? Some part of it may be due, doubtless is due, to the force of example. If the overseas dominions in Australia and New Zealand had not led the way, we might still have got our Trade Boards Act or something like it; but it is certain that we should have got it with much greater difficulty and after a longer period of struggle and agitation. The British mind likes precedent, and the Home-work Committee had, in Mr Aves's Report on the history and results of Wages Boards in Victoria, exactly the precedent it wanted. Now we may hope that we, in our turn, are making things easier for those who are grappling with the problem of sweating on the Continent of Europe and in the United States. But there is more than the following of Britain in the movement, which in every case has been a movement from below and not from above.



That is to say, in no case has a Government, of its own motion, attempted to deal with the situation by creating Wages Boards, imposing the minimum wage, for instance, as the Insurance Acts both of Germany and Great Britain were imposed, for the general good of the people. The demand for Wages Boards has come from outside, and the Government has acceded to it, whether by actually passing an Act, as in the British Parliament, or by introducing Bills as in France and Austria, only after long pressure and with cautious hesitation if not with actual reluctance. At the same time, it is obvious that the agitation which forced Government action has not been started or for the most part carried on by the workers mainly affected. In this country, at least, a very honourable part has been played by those who are commonly called the working classes and their representatives in Parliament in securing the passage of the Trade Boards Act, but the men and women who have played it are the organised workers operating through their Trade Unions, persons already in receipt of wages for the most part much higher than any minimum rate likely to be fixed by a Trade Board and engaged in branches of industry for which no Trade Board is at present in contemplation. Their motive, therefore, like the motives of those, not manual workers, who have given of their time and strength and ability to the furtherance of this cause, was primarily unselfish, although I doubt not the general advantage to accrue from the uplifting, physical and moral, of considerable classes of the population was not absent from the minds of the more thoughtful and far-seeing among them. They have recognised that, for others as well as themselves, they must cease to tolerate intolerable things.

It is this translation of selfish into altruistic feeling, concern for individual comfort into anxiety for the needs of a class or a people which is—is it not?—the most hopeful as it surely is the special feature of the social movement of our time. If industrial unrest were confined altogether to those who labour with their hands, we might justly regard it with disquiet and even with alarm—alarm above all for those other classes who had no share in it. But happily it is not so. The unrest

which is agitating almost every section of the industrial world on both sides of the Atlantic, which creates demonstrations and provokes strikes and animates men—ay, and women too—to offer grim resistance to lock-outs which menace the very existence of their homes and families (and never has the spirit of determination in the presence of suffering been more strikingly manifested by workmen and workwomen than during the past two years)—the unrest which sets man everywhere hunting after new forms of industrial organisation, copartnership and profit sharing here, national ownership or syndicalism there—this unrest finds an echo in the heart and conscience of vast numbers who do not live by weekly wages, and leaves them no peace with its eternal question of —“How shall these things cease to be?” What else but this unrest, not as an academic problem to be debated, nor a political difficulty to be solved, but as a personal anxiety, an ethical question troubling our own peace, what else has brought us together into this place?

And why are we thus moved? Partly because there has come to us, with the spread of information, new and disquieting knowledge. Figures have been made to live for us; statistics—vital and otherwise—have acquired a terrible significance. The organisation of industry has been laid bare; trade and commerce have given up their secrets; processes which were wrapt in impenetrable mystery are mysterious no longer; behind the machine we see the man. We are not responsible for that which we have never beheld or understood. It is because we have been stripped of ignorance that the sense of responsibility has descended upon us with such uncomfortable force. And we know not only the facts, but something of that which might, if we would, make the facts other than they are. They are not the result of any iron law, but of a flexible human will operating either in the past or the present. Man has created them; man can alter them.

The sense of a common susceptibility to economic change is present with us. Undoubtedly one of the causes—not the sole cause by any means, but one of the most immediately potent causes of the general unrest among manual workers—

is the steady rise in the price of living. Now the price of living has gone up for us all and, as was strikingly shown in a very interesting lecture lately delivered at the Sorbonne by a distinguished Austrian economist, it has in proportion affected luxuries even more than necessities, so that the rich man who might remain almost unconscious of increases on food stuffs which are disastrous to the poor, finds himself touched on the side of his pleasures and refinements, in relation to the things which belong to the finer side of existence. This does not always make the rich man sympathetic towards the poor; indeed, in some cases it seems to beget in him only self-pitying impatience and a general feeling of resentment against the tax collector; but it does at least tend to make him more understanding.

Further, we are all in process of being educated. One may often hear it said, sometimes in praise and sometimes in dispraise of the procedure that has brought it about, that the discontent among working men arises largely from the spread of education. Well, our comprehension of that discontent, our sympathy with it, our grasp of its causes arises out of the circumstance that within the last half century to a certain extent, within the last ten or fifteen years to a very marked extent, we have become more teachable in social matters than we ever were before. There have been periods in earlier history when men's eyes have been suddenly illumined to recognise truth unperceived by previous generations; such a period seems to be upon us now, constituting a fresh stage in the moral training of humanity. Among other of our discoveries is the startling one that the Christian religion provides standards to the test of which we can bring our complicated modern problems of industry and economics, and that the new ideals of human welfare towards which our half-awakened toiling masses are beginning to stretch out eager hands were set up for us long ago in the poems of the Hebrew Prophets and the Sermon on the Mount.

And so the general movement in favour of a living wage, towards which the establishment of a minimum wage must be considered the first necessary step, tends to proceed on

Christian lines, dealing first with the poorest, the humblest, the most helpless. Social reformers are sometimes reproached with an inclination to begin at the top ; here, without any doubt, we are beginning at the bottom. And if in this we have with us the administrator and the economist, the men who have learned that unsound places honeycombing the temple of national industry put in jeopardy the safety of the whole building, and that one infected spot endangers the health of the body politic, so we can claim also the aid and devotion of those whose work, while it is guided by the scientific spirit which leaves out of account no fact, and the statesmanlike spirit which never forgets the general need in legislating for the benefit of the individual, yet finds its original inspiration in the old sacred motive—"For the comfortless troubles' sake of the needy, and because of the deep sighing of the poor."

## THE LIVING WAGE AND THE KINGDOM OF GOD

HENRY SCOTT HOLLAND

THE very sound of my title suggests the suspicion that we are going to be led away from the strict actualities of the economic fact, and to surrender ourselves to emotional influences bearing in upon us from outside the proper and real limits of the industrial situation. I hope we may do nothing of the sort. For the effect of religious convictions ought to be felt, not as an alien intrusion breaking in upon the scene with some verdict and standard of its own, to be imposed by virtue of an authority that overrides the economic issue, but as an inward and vital determinant of those very conditions which make the economic fact to be what it is. It will show itself in the scale of values by which the fact is judged. Those values depend absolutely on the sensitiveness of the judgment which estimates and creates them. They are the results of its spontaneity. If it is inherently quickened by a religious instinct, then it will inevitably and immediately see the fact in a certain perspective, shape it according to a certain standard, weigh it by a particular scale. It will lay the stress here, and not there. It will have a measure of its own by which the varied interests will be placed and proportioned. That is all. As our chairman last night said, human nature is not a fixed quantity. It allows for infinite variation. And each variation in its quality and tone has an economic result. The man who is changed in heart is a new economic asset. He is changed in his treatment of marketable values. Lord Shaftesbury becomes a potent factor in determining industrial development.

There is, then, no new element or factor to be introduced under the label of religion. It will not add to the commercial conditions something different which is uncommercial. But

it is the commercial conditions themselves which will take on their actual shape by virtue of their appeal being made to an economic conscience alive to spiritual issues. The market value of the fact will be determined by a measure which allows for its ethical and human interests, and interprets it in terms of its spiritual context.

This is the solution of that reconciliation of the theocratic conception of the Jew with the secularity of the Gentile which Christianity achieved in the second century of its appearance. That theocratic conception of the transcendent God, brought immediately to bear upon the whole round of secular life, had brought into existence a body of national law and custom which still offers, after all these long centuries, in the form of the Mosaic code of legislation, in many ways a standard and a model for our own social principles and public conduct. But, nevertheless, the pressure of the dominant idea and presence of God was too urgent—too overwhelming—to allow for free development in the various departments of social interest. Just as Poetry, the Drama, Art, though lifted high by prophetic inspiration, yet failed, under the Hebraistic development, to let themselves go in experiments and experiences outside the immediate consciousness of God, so the insistent and tremendous predominance of God, as the sole justification of all industrial transactions, tended to limit industry to simple and primitive forms. Commerce had, as it were, no interest of its own to follow up. It was not taken up for its own sake, to see how far it would go, and what developments it would bear. The Prophets set themselves, rather, to curtail it within those limits in which it could obviously depend on the simple formula, "Be ye holy, for I am holy." The theocratic ideal, however true in its assertion of principle, overweighs, by its mass, the spontaneity of human activities. It is too over-poweringly serious to allow men to forget themselves. So the free play of life suffers arrest.

Such was the inheritance which Christianity took over from Judaism. It was a typical and supreme example of what could be achieved, in the way of culture and civilisation, under the full and entire pressure of an immediate and transcendental God. On the other hand, Christianity found itself, on its

release from Jewish limits, in face of a splendid secular development, which, under Hellenic impulse and Roman energy, had gone its own way, unchecked by external authority or by divine regulation. It had succeeded in occupying, in departments, every form and fashion of human life. Each department was more or less self-sufficient. Art was Art ; Philosophy was Philosophy ; Trade was Trade. Abstraction was made of any over-ruling Divine Power. Life could put out all its forces under its own initiative, and according to its own experimental sense of expediency.

Now, the question that challenged an answer was, What was to be the part which Christianity was to play, based on its traditional theocracy, in presence of this secular empire ? And the answer came. It was this. Not to attempt the impossible task of dictating to this vast growth what order and form and limit and regulation the omnipotence of the transcendent God will impose upon it. What this would be, it could not guess. And it had no special inspiration by which to judge or anticipate. Rather, it was to respect and honour the demand of the secular life, that it should grow by the force of its own initiative, and under the control of its own experience. Only, Christianity proposed to enter, itself, inside that initiative, and to submit itself to the teachings and discipline of that experience. Fed and sustained out of the heart of the Transcendent Mystery, it could, then, dare to become, through the Spirit, immanent in the human process. It could make itself at home inside the secret motives which prompt the secular development. Thus philosophy would be followed for philosophy's own sake ; it would follow the movements of its own inherent logic ; it would surrender to no arguments but those which were its own. But, then, philosophy would be the philosophy of a thinker who happened to be a Christian. And his thought would spontaneously work as only a Christ-inspired thinker would think. His philosophy, in putting out its native instincts, would have in it the impulse which Christ had thrown into it, and would take on a form which it would never have adopted if it had never come within the action and scope of Christ's Spirit.

So, again, with art. "Art for Art's sake" is a formula with a truth in it. By it, art claims to be judged according to its own inherent canons: it has jurisdiction over its own causes in its own courts, and allows for no foreign intervention and no appeal to an alien authority. That which is artistically legitimate or illegitimate must be determined on grounds within the craft, which art can recognise as its own, and belonging to its true purpose. All this Christianity can acknowledge freely. It imposes no external yoke on art. But, on the other hand, if the artist is a Christian, then the artistic judgments at which he spontaneously arrives will naturally and inevitably set themselves their own limits. As an artist whose artistic conscience has been created in the New Manhood of Christ Jesus, he will admit this and exclude that; he will pronounce what is to be legitimately treated in art, and what is a violation of art's own standard and function.

So it will be all through. We know the familiar claim of "Business is Business." It may often be used to exclude moral considerations from economic issues. But it need not, of necessity, mean anything so evil. It may only mean that the moral considerations must not intrude and impose themselves from a sphere wholly outside the world of business, but must have so got inside the world which they claim to govern that they appear as conditions of business itself. That which is bad in morals is bad in business. That is our firm conviction. And, if so, then the bad morality can reveal itself under the guise of bad business. If the business man's conscience is alive and sensitive to the ethical values, then it will be quick to perceive the deterioration which business would suffer if those values were ignored or overridden. It would appreciate the points at which business would suffer damage in its character and efficiency. It would be able to urge its condemnation of this or that business practice in terms which belong to the domain in which the practices occur, and of which the business man could understand the force.

Forgive me this long excursion. But it seems to me necessary, in order to explain the manner and method in which the



Kingdom of God will bring itself to bear upon the Living Wage.

First, obviously, the far-flung conception of the Kingdom of God will at once fix the central stress and emphasis of every industrial condition directly on the one supreme test—the production of the efficient and equipped citizen. This is the sole social asset that finally matters. It inevitably determines all other values. “The man”—“the woman”—“the child.” These alone count. And they count, not in their individual capacity, but as living and working members in a social organism. They count as “citizens.” So the Kingdom of God asserts—asserts by being a Kingdom, an organised community. The Kingdom of God means that the individual has no existence outside the Society which is the condition of its being. The Society has no existence except in and through the individualities of which it is composed. These individuals derive their worth from the Kingdom; the Kingdom embodies and realises itself in individuals. Each is correlative to the other. The Kingdom imposes no alien law from without upon the individuals, and may not sacrifice them to its interests; for it is theirs, and they are it. The law which it imposes is the law which they impose upon themselves.

Citizenship is the Kingdom. Our humanity lies in our citizenship. This is our supreme principle of life and conduct and aim. In this law of the Kingdom we find our best determinant of individual values. And we can see how far more intelligible this determinant is than the old method of appeal to “Natural Rights.” For, in this business of the “Living Wage,” we instinctively use the old familiar language of the “Natural Right” of a man who is willing to work to his proper physical and intellectual maintenance—his “Natural Right” to the use of his capacities. It is an historic formula, with noble associations, coming down to us from Roman lawyers, through the Christian Fathers and scholastics, and rekindled into passionate life by the fervid imagination of Rousseau, and uttered, in letters of flame, by the French Revolution. Yet the terms carry in them one or two associations which we have especially discarded. As understood by the philosophic

lawyers and theologians, they implied a "Natural Condition," primitive, ideal and lost, which preceded the existence of Society. The "Natural Rights" which survived into our present order were a sort of echo of this lost ideal heritage; but they were individual rather than social. They gave a sort of sanctity to the individual which the later creation, the State, with its coercive powers to repress wrong, was still bound to respect as antecedent to its authority. It was in this intensely individual shape that they were taken over by the French Revolution. But, of course, all this mode of conceiving the origin of Society has passed away from us. We know nothing, now, of a primitive ideal individualism preceding Society. We cannot deduce any natural rights from such a dream. Rather, we say that the individual was always social. Never more so than in his earliest primitive appearance. And his "Natural Rights" do not come to him as faint "fallings from him, vanishings," out of a lost existence—but grow up in him out of his relationship to the Society from which he continually draws his worth and significance. The "Natural Rights" are not fragments of a visionary Past, but are the gradual and growing values which are being disclosed and discovered by the historical evolution of social co-operation. He and Society are becoming more and more necessary to one another. His efficiency makes it efficient. Its welfare is identical with his. More and more, as this co-partnership deepens into co-existence, the worth of each unit in it rises according to the measure of the worth of the whole. The claim made by Society to live its life at its fullest is seen to be identical with the claim of each individual atom composing it, to its own expression, expansion, realisation. The rights of a society to live, which are for it natural and normal and inevitable, have no meaning except in and through that individual existence in which alone they take shape and acquire reality. The natural rights of the man, therefore, are measured by the natural rights of the State. And what these natural rights actually are, or ought to be, is exactly what all human history is still employed in discovering. We mean, now, by natural rights, just those conditions which ought to be the

result of a perfect correlation of the interests of the Society and its component members.<sup>1</sup>

The ideal, therefore, expressed by the term is not primitive and lost ; rather, it lies ahead and is being created. It is being brought about now. That true City of God is being slowly discovered, in which the efficiency and welfare of the whole is identical with the welfare and efficiency of every part. Whatever makes for this, tends to this, under the discipline of present limitations, under the schooling involved in growth, is natural and is right.

And, with this governing ideal paramount over us, we recognise the special significance of the "Living Wage." The Living Wage, as Mr Snowden so vividly rehearses, is the elemental and fundamental condition of that Living Standard which the State has already admitted to be the right of all its workers.

<sup>1</sup> "The eighteenth-century thinkers looked on Society as made by individuals joining together in order to secure their pre-existing natural rights. We, unless we remain uninfluenced by the more scientific conceptions of human Society now possible to us, see that natural rights, those rights which ought to be recognised, must be judged entirely from the point of view of Society. We must return to the method of Plato. In order to know what is really just, we must call upon a vision of an ideal Society. This is the true value of Utopias. They are rough attempts to see how our ideas of justice look when writ large in a picture of a reconstructed Society. Society has indeed no existence except as a Society of individuals. But individuals as human beings with rights and duties, and not as mere animals, can only be understood in reference to Society. Nature made man an animal ; Society has made him a rational animal—a thinking, intelligent being, capable of moral action. The person with rights and duties is the product of a Society as a whole, and not the Society from the point of view of the individual.

"The appeal to natural rights which has filled a noble place in history is only a safe form of appeal if it be interpreted as an appeal to what is socially useful, account being taken not only of immediate convenience to the existing principles of a particular society, but of the future welfare of the Society in relation as far as possible to the whole of humanity."—*Natural Rights*, by Professor Ritchie.

Each citizen, if he is equipped to play his part in the social organism, must be ensured a certain standard of living—a standard, that is, which enables his life to be, indeed, human and free. For this he must be secured a definite level of education, an opportunity of work, a measure of safety and of sanitation in his work, a sufficiency of leisure. This standard it is the duty of the State to enforce, for its own sake and for the sake of each: for these interests are identically one. Already, so much of the ideal kingdom of natural rights is in action; for every civilised State attempts, in its degree, to secure these prerequisites for efficient citizenship by positive enactment.

Yet, all these opportunities for equipment are, practically, in suspense, unless the ground is secured from which to take advantage of them. And that ground is the "Living Wage." He must be in possession of himself if he is to take advantage of what has been brought to him. He must be sure of his footing. He must be free to detach himself from the pre-occupying grind of earning, and from the demoralising pressure of anxieties that cannot be denied or set aside for a moment. If he is offered leisure, he must be in a position to enjoy it. "More leisure to a man who is," as Mr Snowden says, "too poor to buy a newspaper, or to take a tram-ride into the country, or whose home is so small and uncomfortable owing to low wages that he is driven to aggravate his poverty by spending the leisure in the public-house, is of little or no advantage, and may even be harmful." It is useless for the State to endow the child with the right of education if the low wages of the father compels him to send it unfed to school.

All industrial legislation that has been passed of late years with the laudable desire to secure some sort of adequate and open opportunity for the worker, leads up, at last, to this final necessity of securing to the worker the capacity to make use of the opportunity; and this means—that measure and level of vitality which can respond to its opportunities, and can assimilate the materials provided for it, and can lay hold of the conditions which encompass it about. Life must be raised to the power at which it can act upon its environment; or, else, all the labour spent on improving the environment will be lost.

The wage, that is, must be such as sustains life at the level of the demand made on it and the openings offered it. Without this sufficiency and security of wage, he cannot begin. And the State, therefore, is within its natural rights in refusing to allow any individual worker to accept a wage which would tend permanently to lower his efficiency. It can forbid such a wage to be offered or taken on the ground that it is, in itself, a sin against good citizenship. Nor, again, without this sufficiency and security of wage, can he advance. For, as Mr Snowden points out, "the low wage of poverty inflicts upon the community this worst loss of all—that it destroys the intellectual vitality of the very poor, and destroys their moral aspirations. Poverty is an opiate, it dulls and drugs the spirit of hope. The heaviest price which is paid by a community for the lowness of its wage is the loss of a rational ambition for better conditions."

But I need not labour this economic and moral argument for the "Living Wage." It has been splendidly done in such a book as that from which I have been quoting. I can leave it at that, with which I cordially agree. My part is only to show how this economic argument is advantaged by being correlated to belief in the Kingdom of God. And I am pleading that the effect of going on beyond the economic and ethical argument to the thought of the Kingdom of God will be found, not in any novel argument or condition being introduced, but, rather, in giving new force and significance to the existing arguments. Indeed, I would venture to say that the strength of the economic argument will depend on the degree to which it can ground itself on this belief in the Kingdom.

For consider how far afield this conception of a man's "Natural Rights" must carry us, under the philosophic form given to them by our modern thought. His natural rights to a normal human life are his, because they are natural and inherent in a Society of which he is a living and constituent unit. And what this ideal Society really is, we are slowly discovering under the teaching and discipline of history. And it is according to the measure of this discovery that we can define and determine these natural rights of the individuals

composing the Society. The natural rights acquire force and precision, as fast as the ideal Society finds its realisation.

Well, but this realisation includes and embraces a long sequence of generations. In defining the rights of those now alive, we can only do so by taking into consideration the children that come after them, the welfare of the whole community of man, the welfare of a community that is going to be far more free, glad, united and honourable than anything known to us to-day—the welfare of a community deep and wide and full as humanity itself. The life which the individual has the natural right to live out for himself—the life for which he can claim from the community equipment and maintenance—is the life which consists with the growing welfare of this one ideal human Society towards which everything is set. By identification with this, he is what he is. From out of this identification he wins his own worth and significance. Nothing is more enkindling than the recognition made by Socialism to-day, that it is for our children, not for ourselves, that we labour at legislation. To save the next generation—that is our supreme endeavour.

But, then, this can only be real to him to-day if he can be sure that the Society in which he finds himself immeshed to-day is, indeed, going to become that final Society which is to be his justification. He will die long before that final condition which endows him with his present personal value will be reached. His eyes will not see it, within the short space of his earthly days. But he must be in possession now, as he stands, of that worth which clothes him with natural rights. He must be already now, as he stands, a citizen of that far City.

And this he is, if that City is, in our Christian language, already come. If it is here, at work, in energetic effort and growth, within the tumbled mass of human affairs—if the Kingdom of Heaven is amongst us and within us, making itself felt in the growing pains of our existing civil structure. If, already, that far perfected City of Humanity is working its way forward, and is undergoing its slow but certain realisation, then already he, too, is a citizen of it, a citizen of no mean

city ; and, already, he is clothed upon with the rights and dignities and sanctities and demands of a citizen, equipped to fulfil no common citizenship.

This can only be possible if there be a real permanent purpose running through the life of men, by which the things of the present are rationally linked up into the " far-off Divine Event " towards which they move. The growth of the human story cannot be regarded as undetermined. For growth itself is only intelligible or rational under terms that are teleological and imply an organic capacity for some fulfilment. Growth is never a blind experiment. It represents the forward push of a force resolved on maintaining its own identity. Progress is unmeaning if it is purely indefinite. There must be a goal which gives to progress a standard and a meaning. There must be an End by which the impulse to grow can be accounted for. A Purpose, then, running through time, through history, through the efforts of passing generations—this is the essential assumption of all our social endeavours. No mere blind instinct to preserve life, no purposeless movement, would suffice to account for or sanction our work for social amelioration. For social amelioration involves self-correction, self-direction, self-criticism. It cannot be blind. It must work through consciousness, reflection, rationality. We can only commit ourselves to it, out of our faith that there is a reasonable end to work for, and that right effort, now spent, will help to set that purpose free.

We stake our souls, then, on this—that there is a real and living purpose in things, and that it can be discovered by our reason, and served by our devotion. Our own little effort is worth while, just because, and so far as, it can rely on contributing to an end which is there already, objective and universal. To work for " enduring schemes of social reorganisation," says Professor Ritchie, " implies a belief, however little recognised, in the evolution of the world as a rational process. How else can we ever hope by our reasoning to hit upon any scheme that would work in harmony with the laws of Nature and of Human Nature ? " Such a purpose is what we call Divine. And the assurance that it is, not merely ideal, and

speculative, and rational, but actual, real, concrete and at work, is what we mean by the Kingdom of God.

The "Kingdom of God" is our assertion that the very end, which now we serve, is bound actually to come to pass. It may tarry: but it will not fail. It will be seen, felt, known, experienced by living men and women. It will not be a dream, a suspended hope, a flying vision on the far horizon. It will be here, under our eyes, our hands, our feet. At last, it will be reached. It will have become a fact. And the "Kingdom of God" assures us of this final consummation, because, by the terms of its formula, this Kingdom that we are building exists already in God. It is the embodiment of that law of righteousness which eternally constitutes the Divine Will of God. This eternal righteousness is the ground and inspiration of all our human endeavour to establish it on earth, in an organic human society. It interprets and justifies and impels all our historical movement towards an ever fairer City, in which men and women shall walk at ease and in joy, because it is their very own—because they are themselves its living stones. This eternal righteousness, made one with us in Christ, spells out, through the experiences and struggles and sufferings of the successive generations, its fuller language, its richer meanings. It is here, laying its pressure upon us, compelling us to forswear our injustice, to correct our blunders, to salve our wounds, to heal our sickness, to leave behind us the ancient toll of wrong, to carve ourselves out a better road, to step on towards a nobler commonwealth and a deeper peace. Because it is here and at work, and is insistent and compelling, therefore it is that we do not wholly faint or fail in our hope of the better day. We can toil and moil, if only there be a right which is eternal behind and above us, and a Will within, which is strong when we break, and lives on though we die. We can work on for the new City of Humanity, if only it be true that it is being built, and will be seen here on this very earth of ours, a shining fact—enough, by its freedom, and by its honour, to justify all the sweat and tears and blood that have been spent in its making. If only this be true, then everything that we can do now, towards such an end, is worth



while. For we are working for and with eternity. The eternal righteousness is concerned with our present action, and is our pledge that the power of the years still is on our side and must prevail.

Does this sound transcendent and remote, far away from the niggardly necessities of a living wage? Not a bit of it! It is by taking our pivot on the far side of our temporal conditions that we lift these conditions to their full value. This present life cannot be estimated from within its own limitations. It only takes on its true reality and colour when it is seen in the light of that Eternity to which it points. That other world, far from blotting out the significance of this world, intensifies its importance, if once it be taken as its secret and its interpretation. Then every tiny, local, temporal, immediate incident of the moment becomes alive with eternal issues.

That is why I pleaded that the bearing of our belief in the Kingdom of Heaven on the Living Wage would be found, not in any addition to the economic reasons which justify it, but in the intensification of those very reasons to their highest power. If it can be economically shown that the worker may rightly claim, by his natural inclusion within this organic Society, to be fitly equipped for his task as a citizen; if his value to the Society, as its effective member, renders it an urgent social duty to see that his life is sustained at its efficient level, then all this argument acquires limitless force, it is raised to its full and compulsive power, if this immediate need is recognised as an expression of that everlasting and enduring purpose which, even now, underlies and creates and justifies the very life of humanity, and which is, for ever, working out its true significance, until it comes to that ultimate realisation, assured to it by the law of eternal righteousness in the Kingdom of God. If this claim for the Living Wage be a cardinal instance in which economic considerations have led us to apprehend what the natural right of that equipped citizen inherently and inevitably involves in that perfected State which we are all engaged in discovering, then it is a serious matter indeed. It cannot be held down within the limits of a mere economic expediency. It cannot be argued out on the lines of a piece

of a social diplomacy. It becomes the arena in which the eternal rights of man are at stake. It binds our conscience, and enlists our soul. In demanding it for all workers, we are fighting for the existence of that Kingdom which shall, at last, justify man's story and verify God's good Name.

In the beginning lies hid the end ; and the end is sure, and our eyes shall see it. Toiling, in a cloudy and dark day, to secure a living wage for every sweated man and woman, we are, after all, helping to build that New Jerusalem which is for ever coming down from heaven. "The poor shall eat and be satisfied. They that seek after the Lord shall praise Him. For the Kingdom is the Lord's, and He is the Governor among the people."

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